

NOV 26 1930

Sales Management

The Weekly Magazine for Marketing Executives



Harry E. Waldron

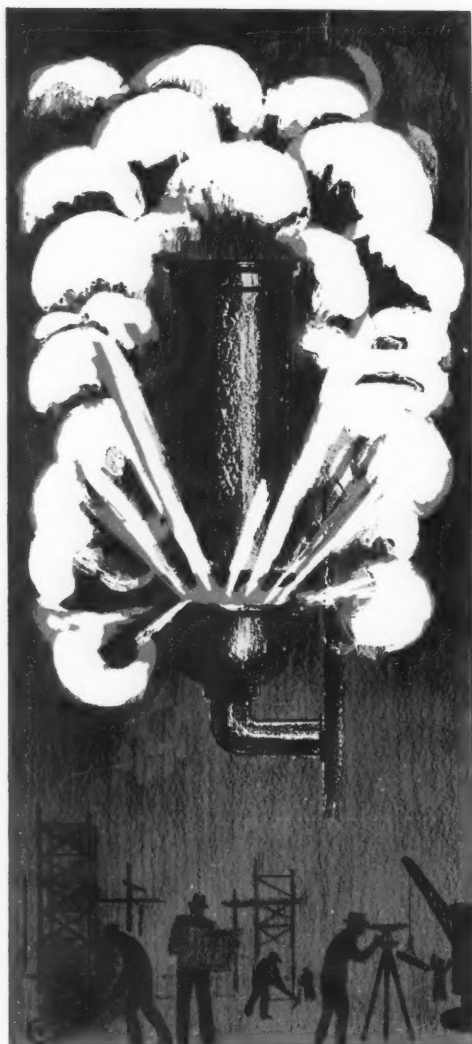
*Vice-President and General Sales Manager, W. A. Sheaffer
Pen Company, Fort Madison, Iowa*

How Sheaffer Develops an Off-Year
Sales Program

Policies that Built World-Wide Sales
for Helena Rubinstein

Now Let's Go!

LOUISIANA BEGINS \$100,000,000.00 DEVELOPMENT PROGRAM



\$100,000,000.00 worth of roads, bridges, airports, seawalls; of street paving, markets, port facilities improvements for New Orleans; of public works! Million after million for pay rolls, for purchasing supplies!

On November 4 Louisianians went to the polls and voted overwhelmingly for eight constitutional amendments that will set in motion the greatest development program of all Louisiana's history. 68 of those 100 million will go to build hard surfaced roads throughout the state.

The Times-Picayune should head your Southern list, for there is a harvest to be had in The Times-Picayune's market!

FIRST
IN THE SOUTH'S
FIRST MARKET

The Times-Picayune

100,251
DAILY
138,284
SUNDAY

IN NEW ORLEANS

Representatives: CONE, ROTHENBURG AND NOEE, INC.

Pacific Coast Representatives: R. J. BIDWELL CO.

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When

SUBURBIA BUYS

- Outlying the city of Chicago is a golden fringe of residential suburbs . . . quiet, country-clubby, well-to-do. This is Suburbia . . . a market of more than 1,200,000 souls in itself, a section distinguished by broad estates, fine homes and splendid families of discriminate taste and more than average means.
- When Suburbia buys its newspaper it stamps that newspaper with the approval of one of the finest, most responsive segments of the great Chicago market.
- . . . And Suburbia around Chicago by overwhelming majorities prefers The Chicago Daily News.* A significant fact for the advertiser appealing to the broader mind and larger purse.

*Surveys show that four out of seven of the homeward bound passengers on Chicago's evening suburban trains read The Daily News

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Chicago's Home Newspaper

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DETROIT

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3-241 General Motors Bldg.
Tel. Empire 7810

SAN FRANCISCO

C. Geo. Krogness
303 Crocker 1st Nat'l Bank
Bldg. Tel. Douglas 7892

ATLANTA

A. D. Grant
711-712 Glenn Bldg.
Tel. Walnut 8902

MEMBER OF THE
100,000 GROUP OF
AMERICAN CITIES

FACT vs. OPINION

A fact is a fact but an opinion may vary with what you had for breakfast.

It takes a brilliant mind to hand a manufacturer, a merchant, a banker, a simple fact wrapped up in a little package labeled "This is your fact—you may now go ahead."

The courage to pay for facts is the courage that will build the great businesses of tomorrow.

The careful assembly and interpretation of facts is a Bigelow, Kent, Willard service.

An interview with one of our representatives will obligate you in no way, yet will convey how we can uncover facts about your business and its control from which more profits may accrue.

**BIGELOW,
KENT, WILLARD
AND CO., INC.**

**Consulting Engineers
and Accountants—
Merchandising
Counselors**

**PARK SQUARE BUILDING
B O S T O N**

Survey of Surveys

BY WALTER MANN

Broadcasting Two Radio Letters

Since our article two weeks ago on the study of radio broadcasting now being made by Crossley, Inc., and the proposed studies by the Arnold Research Service, we have received from each of these organizations letters, written at our request, outlining in detail the difference between the two surveys in question. As these letters give considerable information not contained in our article that will be of interest to S. O. S. readers, we print below the salient parts of each.

From Mr. Crossley

"Our original desire, of course, was to set up some kind of a circulation analysis of radio stations, and the study was planned to give an index along these lines. It has never attempted, however, to go into an exhaustive field study of radio stations locally. We soon found that the primary interest of the advertiser lay in his individual program and our efforts have, therefore, been concentrated toward obtaining information of that nature.

"We planned a survey which can hardly be called a survey. It is entirely new, to the best of my knowledge, in method of operation, and represents more than anything else an actual recording; where the average survey asks people what their favorite stations are or what their favorite programs are, the present job records each day the programs and stations heard the day before. The work lasts over a twelve months' period, and the full report is to be rendered next April. So far, seven reports have been rendered of which one is a seasonally comprehensive report.

"The study is one of the largest field jobs in any line, covering between 70,000 and 75,000 interviews. This work is supplemented by many thousand more interviews in a number of individual jobs and by a very extensive mail survey on station popularity made for us by the United States Department of Agriculture.

"We, of course, cover the entire day—morning, afternoon and evening—and show exactly what stations and programs were heard in each part of the day by every type of family in every part of the United States, there being many breakdowns—sectional, seasonal, sex, financial class, etc. The recordings are accumulated and presented separately month by month.

"We know for example, very definitely at this time the number of people who are using their sets at any given day, the number of listeners to each set, the use of the set by each half hour of the day, the variation by different economic classes. We know also what programs are leading and which ones are lagging. We know in the cities which we cover how the stations rank among different types of people. And we know, also, for every shopping area in the country, something about the popularity of stations.

"There is almost no variation in the per-

centages from month to month until a seasonal change comes about. That is to say, we note, of course, a very general falling off in listening habits in the hot weather, but outside of this, percentages run extremely close in one report as compared with the preceding. Of course, we do not attempt to break down the mass of data in each individual report, most of the breakdowns being held over for the comprehensive reports.

"Participation has, up to this time, been restricted to advertisers."

From Miss Arnold

"Our plans were based on the premise, after considerable study, that anything you were going to learn about the daytime audience would have to be attacked as a separate job. We found, upon experiment, that the woman's use of the radio in the daytime is entirely linked up with what she is doing. Whereas in the evening the family is more or less of a unit and, if at home at all, is at leisure, in the daytime a woman's activities vary almost from hour to hour and every condition of her life affects her susceptibility as a radio listener.

"On this ground, then, we decided that we wanted to study the audience and not the medium; that it was of more importance to the person presenting a program to know what were the factors governing her listening than it was to know specifically what stations or programs she had heard. We believed that if he knew that in certain types of communities, in certain sections of the country, he was most apt to have as an audience women of a certain age, family connections, buying power and cultural background, he would be in a better condition to build the programs which would interest them. That if he knew the best hours at which to reach mothers of small children, he would be better off—and that perhaps these are different from the hours to reach the mature woman of larger buying power. That if he knew that women were busy in the morning and therefore wanted entertainment, while in the afternoon they were at leisure and therefore able to absorb instructive talks on homemaking—he might do a better job.

"Perhaps you see from this what I mean as to the need of studying the woman rather than the medium. I conceive that any study of popularity of programs and range of stations may become passe in six months, but that the fundamental conditions which make a woman receptive to certain types of things at certain times will not change.

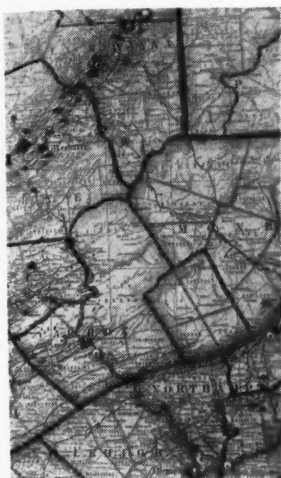
"You will make the point that we mention obtaining information about stations and programs. This is true, and for two reasons. First, I consider that the type of information we obtain to reach the above objectives will have to come from a certain set of statements and that if we can corroborate this by an analysis of some of the things they have actually done, it

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"Is Your Sales Quota Based on Facts?" is the question Percival White puts up to sales executives in this week's issue. Mr. White's article deals with some of the A B C's of quota setting, and suggests some lines of check-up that can profitably be followed before 1931 quotas are finally laid out. Page 312.

THE National Association of Broadcasters held a brass-tacks session at Cleveland this week, during which such major questions as those surrounding spot broadcasting, rates, centralized information about media, etc., were brought up for discussion. A report of the meeting appears on page 304.

A SHOE manufacturer who has developed a plan through which the men's wear retailers are enabled to make a profit on shoes tells the story of that plan, and the results it has brought in sales, in next week's issue.

WALTER MANN'S series on the small town market continues in this issue, with the returns on the grocery division of the survey. The next article will deal with drugs, and succeeding ones with hardware and dry goods.

A VISUAL sales presentation used by Ditto, Inc., that has greatly stepped up the efficiency of that company's salesmen, will be outlined soon in a SALES MANAGEMENT article.

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RAYMOND BILL, President; PHILIP SALISBURY, Vice-President and Director of Advertising; J. F. WEINTZ, C. E. LOVEJOY, Vice-Presidents; M. V. REED, Eastern Advertising Manager; R. E. SMALLWOOD, Circulation Manager; G. D. YOUNG, London Manager. Published by SALES MANAGEMENT, INC., 420 Lexington Avenue, New York; Chicago Office, 333 North Michigan Avenue; London Office, 33 Chancery Lane, W. C. 2.

Don't dissipate your Strength



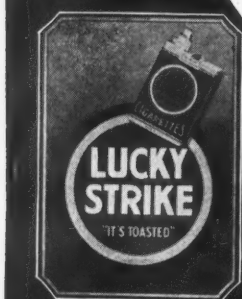
"The continual renewal of the paint jobs on your delivery trucks—when wind and weather have played havoc with the painted trade-marks and names—is a source of constant annoyance, as well as a decided waste.

"Why not let Meyercord take over these small, multiplying orders and invest them all at once in an identification trade-mark which you can reproduce identically in any size on your trucks and delivery wagons . . . a brilliant, colorful trade-mark that will broadcast your message to the eyes of every prospect . . . at one-fourth the cost of hand-lettering."

Meyercord Decalcomania Transfers are easy to apply, uniform, lasting and indistinguishable from hand-lettering. Leading merchandisers in all lines recognize them as the most effective method of trade-marking. In your company—Meyercord Transfers will fulfill every demand of a thorough identification program. Prices, actual samples and complete information furnished gladly.

**THE MEYERCORD
COMPANY**
120 So. LaSalle St.
Chicago, Ill.

MEYERCORD TRANSFERS



Significant News

• • • Carnegie Steel, a subsidiary of U. S. Steel, has established a minimum price for bars, shapes and plates, thereby checking further price-cutting in these lines. It is the first action of the kind following the statement of James A. Farrell, president of U. S. Steel, that business would be greatly improved by price stabilization.

• • • Keen watchers for news significant of better times ahead give first place to this item. Iron production is close to its lowest but there is almost unanimous support for the view that better tone in prices would speedily improve the situation and affect business generally. If the movement for minimum prices reaches sheets favorable sentiment is likely to become general.

• • • The sharp rally in copper prices begun in the middle of last week following the news of an agreement to regulate output had a favorable effect on financial sentiment. Some fear was expressed that the Washington authorities might thwart the assent of the American interests to the arrangement as they did last year when the oil men attempted a similar plan. At that time the Attorney-General merely refused to grant immunity for possible transgression of the anti-trust laws. (Both phases of this subject are referred to in editorial notes published elsewhere in this issue.)

• • • Ford Motor announced this week that it is spending \$60,000,000 this year for expansion, pretty substantial evidence of confidence in the future. Five new plants are under way in this country and thousands of men have been added to the company's payroll. Several new plants are under construction abroad.

• • • Community chest collections this year in sixty-four cities exceed last year's collections by more than 8 per cent and on this basis total collections in 220 cities are expected to pass last year's by \$5,000,000. The increase in large cities is ascribed mainly to contributions from persons receiving income in the form of salaries.

• • • Indicative of the administration's purpose to protect the farmers at all cost was the unlimited buying of wheat this week by the Grain Stabilization Corporation keeping quotations in the Chicago market far above the rapidly falling prices in Winnipeg and Liverpool.

• • • The average of commodity prices was stationary last week, the Irving Fisher index number remaining at 82.2, the same as the week before.

• • • Department store sales in October, according to preliminary figures of the Federal Reserve Board, were down about 7 per cent from the volume in October, 1929.

• • • Employment in thirteen industrial groups fell off 1.4 per cent in October over September, according to Bureau of Labor Statistics. Payroll was down only 0.8 per cent. These data are based on returns from 41,389 establishments employing 4,840,914 persons.

• • • Four groups had increased employment: anthracite mining, 5.5 per cent; bituminous coal mining, 1.4 per cent; retail trade, 3.8 per cent, and crude petroleum

0.2 per cent. Manufacturing industries lost 1.4 per cent in employment and 2 per cent in payroll. Of fifty-four manufacturing industries twenty-three reported gains in employment. Excluding manufacturing, the other twelve industries lost 2.2 per cent in employment but gained 0.4 per cent in payroll.

• • • Compared with October, 1929, manufacturing industries lost 20.04 per cent in employment and 28.93 per cent in payroll.

• • • Chrysler earnings in the nine months ended September 30 were \$2,492,747 compared with \$24,730,417 in the same period of 1929 and \$21,786,276 in 1928. This year's sales were \$183,700,988 compared with \$325,959,888 and \$207,822,271, respectively.

• • • Retail sales were checked last week by unseasonably warm weather and rain. Special sales, however, seemed to be successful in many lines.

• • • Sears Roebuck is giving a limited number of pages in its forthcoming catalogue to advertising of companies having no merchandising tie-up with Sears Roebuck. National Bellas Hess is doing the same thing.

• • • Grocery chains do 60 per cent of the country's grocery business if we include the voluntary chains, according to an estimate of the American Food Institute laid last week before the supreme court of the District of Columbia in the packer decree hearings. The voluntary chains are credited with 25 per cent and 53,540 outlets. Concentration among the smaller chains was predicted.

• • • Reynolds Tobacco earnings for the current year are estimated by the *Wall Street Journal* at \$36,000,000, a gain over last year of nearly \$6,000,000. Similar estimates for American Tobacco indicate a much greater gain by that company. America is spending more money for advertising this year, especially for cigarettes, than any other company.

• • • Criticism of the Capper-Kelly price maintenance bill is vigorously denounced by Crichton Clarke, counsel for the American Fair Trade Association. He believes that legislation of price-fixing contracts would "restore a fair competitive balance by removing the unfair handicaps which are now making large aggregations larger and small independents smaller."

• • • Having received word that New York State Commission for Revision of the Tax laws is giving serious consideration to a sales tax proposed, the Merchants Association of the State of New York has decided to do everything in its power to defeat such legislation. Governor Roosevelt has let it be known that he is opposed to a sales tax.

• • • New Hudson and Essex car prices are lower for low-price lines and higher for high-price lines.

• • • Exports in October were valued at \$328,000,000, 37.9 per cent less than in October, 1929, imports at \$248,000,000, a decrease of 36.5 per cent.

Before a store may sell Rubinstein cosmetics it must send representatives to her for training in their use.



Photo by Lazarnick

Policies that Built World-Wide Sales for Helena Rubinstein

At least one large manufacturing enterprise—one of the largest of its kind in the world—with thorough distribution in this country, has no serious distribution problems. Its goods are widely and continuously advertised. The business is increasing at a highly satisfactory rate. There is little customer turnover, and the distribution organization of approximately 6,000 retailers in this country is the result of a healthy growth. In many ways this remarkable company has escaped the money-losing and demoralizing conditions that now are handicapping many of our industries.

It matters not at all that this business is individual and specialized, and that it is conducted on the borderline between a professional service and a

merchandising system. Its character appears to have made its success more difficult, and there is not a major practice of its methods, nor a principle or an element of its business policy, that cannot be applied with an assurance of similar results by other manufacturers.

There are at least three major factors in the success of this business. First is an invariable merchandising policy that has not been changed, except in minor details, since the business was founded, and most of its phases could be beneficially applied to practically any business. Then there is a method of selecting dealers, of placing the line of goods with an understanding of how they shall be resold and with an unusual consideration for the interests of the customer.

And, as the third factor, there is a system of training retail sales-people that unquestionably offers invaluable suggestions to manufacturers in many lines.

The history of the personal success of Madame Helena Rubinstein has been written many times. The story of the business policy and merchandising methods that are responsible for the world-wide sale of her cosmetics is here told for the first time.

It is well known that, as a Polish girl who had gone to Australia, she began in a very small way as a beauty specialist and made a hundred thousand dollars before she was twenty. Now, in all of the civilized countries she is recognized as perhaps the greatest authority on the care of the skin and the art of improving and preserv-



A good many articles have been printed about the interesting business founded and built up by Mme. Rubinstein, but not until now has the real story of the basic sales policies of that concern been told.

BY JAMES TRUE

of our line we sell them only items they can resell with complete satisfaction to consumers, and then we equip them to sell our goods properly—profitably. We select only intelligent dealers who know their business to represent us, as I shall explain. We want them to make money—to sell more of our goods than they could possibly sell of any other line of cosmetics, and we do everything possible to aid them. All of our sales work is planned with this motive. We protect the interests of our dealers, our line brings new customers to their stores, and naturally they remain with us and grow with us. That is the secret.

"It is strange, the way so many American manufacturers sell their merchandise. Nowhere else in the world are goods manufactured more carefully or with better finish—appeal. In no other country are there so many clean and sanitary factories. A food manufacturer, let us say, will build a model factory that is spotlessly clean. His employees will work under the strictest rules of health and sanitation. There is nothing practicable that he does not do, nothing too costly to uphold the quality of his merchandise and protect it against contamination.

"But frequently, when the same manufacturer comes to merchandise his products, it is a different story. In many instances, he does not seem to care whether his goods fall into hands that are unclean from a viewpoint of good business. He sells to any jobber who has the money to pay, and he then tries to force his goods into every possible retail outlet, regardless of how faultily they may be presented to his final customers. In his production he uses every precaution to protect the reputation of his goods; but in his merchandising he does not give a thought, apparently, as to how his business policy, his standards and distribution may be contaminated by those who are unworthy to contact his products with the public. Is it any wonder that he has troubles—distribution problems?

"We are most painstaking in the production of our cosmetics. For many years I have studied biochemistry

and the medical and anatomical subjects that are related to my business. I have invested hundreds of thousands of dollars in research and experimentation, and I maintain laboratories for the purpose. If there is a production method or a product that will improve any of our cosmetics, I will adopt or utilize it regardless of expense. It is our determination to make every item the best, the most beneficial product of its kind, and no expense is too great if it aids in attaining our ambition.

"In this, our business does not differ from the production of many American manufacturers; but in our merchandising there seems to be a decided difference. It is this. In distributing our goods we select our dealers with the same painstaking care and discrimination that govern our production. We must first be sure that a dealer is worthy to handle our products, to contact with our most important asset—our consumers. Then we take the necessary steps to assure the proper handling of our goods.

Great Care in Distribution

"Of course, there are many elements that affect our merchandising not found in selling any other goods. The individual woman's coloring and the texture of her skin call for specific products, and climate has much to do with the kind of cosmetics she should use. Then, in every instance, we sell direct to retailers, which simplifies our distribution. However, I am certain that if we manufactured any other kind of merchandise we would still conduct our business on the same principle of distributing our products only through companies that we would carefully select for the intelligence of their management and their willingness to cooperate with us. There is no other way to avoid the many problems that increase the selling costs and demoralize the distribution of the manufacturer."

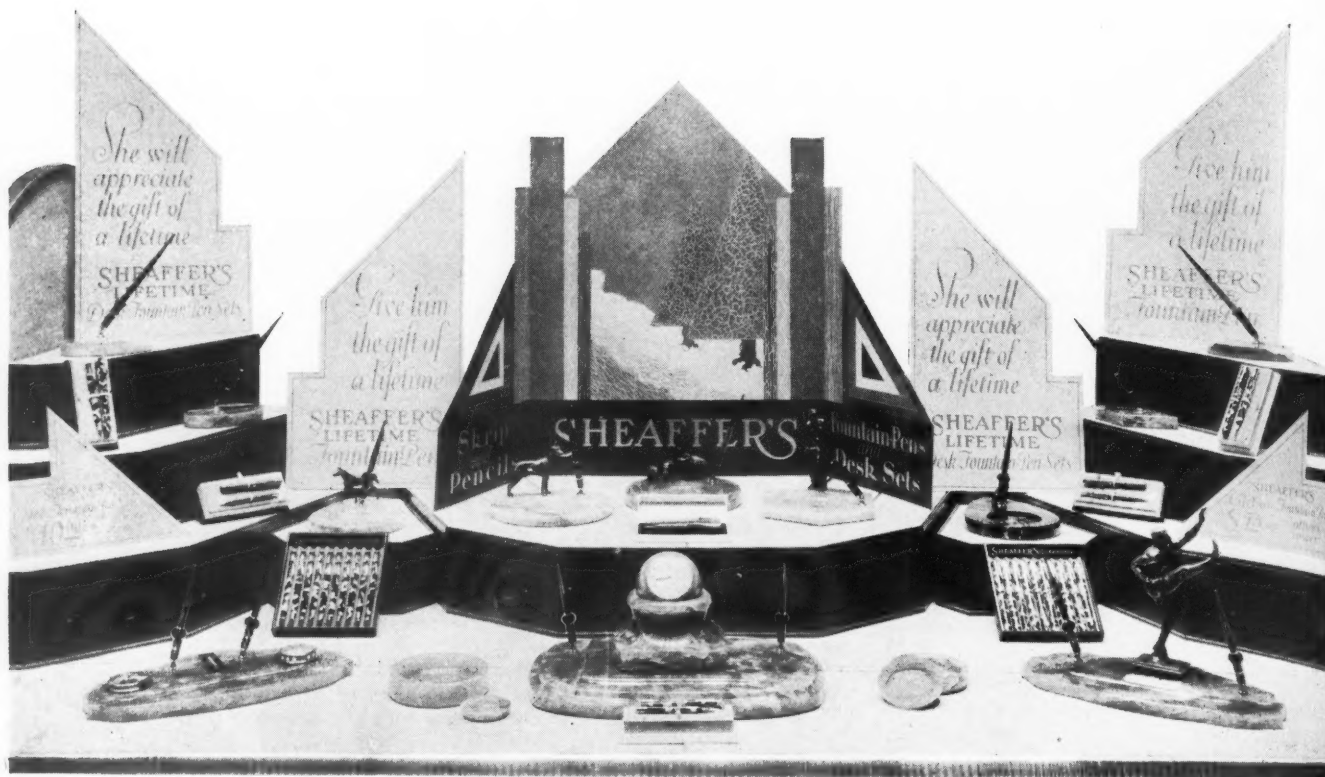
This policy had its inception when the first store was sold in this country about sixteen years ago. At that time, Madame Rubinstein was operating only through her own beauty salons, and when prominent department

(Continued on page 325)

ing the good looks of women. She is known as a genius, not only in the field of beauty culture and in the originating of nearly a hundred preparations and cosmetics that comprise the products of her factories, but also for her business ability in accumulating more than a million dollars for every one of the thirty years she has been in business. But a recent interview disclosed that she is also highly talented in another direction, and that her success is largely due to an accurate understanding of the economic principles of merchandising and an exceptional degree of sound master-salesmanship.

These facts were related by Bernard Hoffenstein, sales promotion manager, who has been a member of the Rubinstein organization for ten years. He explained that while he and other executives worked out the details of plans and policies, Madame Rubinstein alone was responsible for the fundamental rules of the business. Much that he said suggested a question as to how it is possible to hold such an army of dealers, and this was the first question answered by Madame Rubinstein.

"How do we hold our dealers?" she repeated. "That is simple. Out



"Higher priced goods are worth displaying this year, for people are buying more carefully than before. They insist, not on bargains, but rather on values."

Do Depressions Hit Only the Depressed?

"We think so," says Harry E. Waldron, of the W. A. Sheaffer Pen Company, one concern that has been making hay while the pessimists have been waiting for things to improve. Sheaffer has sold more higher priced goods mounted in gold this year than in any previous year. Think that over when laying out sales plans.

NO one perhaps relishes the kind of corrective that has been administered to business and commerce this year, but if we take it manfully, we find that it really isn't as bad as we had anticipated and we shall doubtless realize later that it actually was good for us.

Speaking specifically of our own business, 1930 really has been a very satisfactory year for us and the outlook for the closing weeks is quite bright. During each of the past eight weeks our sales have shown a sub-

BY
HARRY E. WALDRON
*Vice-President and General Sales Manager,
W. A. Sheaffer Pen Company,
Fort Madison, Iowa*

stantial increase over the preceding week. September sales showed an increase of 34 per cent over August and our sales in October ran well ahead of September. We are already planning to make 1931 a banner year.

We have had to work much harder,

yes; we have had to get back to what a churchman would probably characterize as the "eternal verities," but that is one of the reasons such experience is good for us.

No one questions the fact that we are in the midst of a buyer's market. But goods can be sold in a buyer's market. Furthermore, they can be sold without the sacrifice of profit and without undue emphasis on price.

The panic of 1907 is frequently recalled as one of the most severe business depressions ever experienced in this country. And yet 1907 was one

of the best years I ever had as a salesman. I made it a big year simply by working longer hours, working more intensively, and working more intelligently. I studied my customers' problems and tried to help them meet them.

This year I have applied the same principles and they have proved just as effective as before. Last year I spent less than thirty days out in the field; this year I have spent less than thirty days in my office. I personally have covered the entire United States and Canada, calling on our key dealers in all principal cities and working with our salesmen, while our field representatives have worked every city and town of 500 population or over.

Our work this year has been exceptionally effective, surprising as that may seem. We find that "The Boss" is back on the job and is in a receptive mood to give his personal attention to constructive suggestions. During the past few years, you know, "The Boss" has been hard to find. If he wasn't at his broker's office or on the golf links, he was probably out of town or else "in conference," so we had to negotiate with employees who were not greatly interested in constructive suggestions and who lacked the authority to act on them, even if they were.

Now the owner of the business has come back to work and he is doing a lot of thinking about his problems. He wonders how he can sell more goods, how he can reduce his inventory, how he can turn his stocks more rapidly, how he can make larger profits. We can tell him exactly how to accomplish these results in his fountain pen department, and he is eager to learn. We are prepared to furnish proof that every one of the several thousand dealers who have given the Sheaffer plan a fair trial has made more money on fountain pens than ever before, and he wants to know how he can do likewise.

"The Boss" is back on the job and we can get action. As a result, we have secured an unusually large number of key dealers this year, many of whom we had never before been able to interest at all.

In most cases, better dealers have concluded it is to their advantage to concentrate on one line of merchandise for, by so doing, it reduces their

inventory, and speeds up their turnover, which makes the line more profitable.

The automobile industry, which, in my opinion, did the most outstanding job of selling of any of our industries, has convinced distributors that it is possible to make greater success with more sales and profits by concentrating on one line than it is to divide their interest by selling other lines. Every automotive dealer and salesman is thoroughly posted on the merits and

Sheaffer has built up a sound sales program which has functioned well during a depression year, without featuring "bargain" prices. They have, instead, striven to sell dealers on concentrating their line, have featured a new product, have emphasized style and new colors, and have gone more intensively after the gift market for their goods. And instead of curtailing advertising, they have increased it considerably.

advantages of his product and can talk with a much greater degree of intelligence and confidence about the merits of his product than any salesman with more than one line to sell.

This principle is particularly true in the fountain pen business. Everyone is more or less cranky about the type of pen that he uses. Some want pens with fine points, others with coarse, medium or stub. Others want rigid pens, while others want flexible pens. It is, therefore, advisable that a dealer carry a complete assortment which is necessary to satisfy their customers. The only other article similar to a fountain pen is a shoe, which, in order to give the maximum satisfaction, must be fitted properly.

Our records show that the exclusive dealer has a greater success and makes more profit out of his pen department than the dealer who carries an incomplete assortment of several makes. We have therefore concentrated, this year, on selling the exclusive line policy to our key accounts.

We also find that the people are buying, although they are buying more carefully than in recent years. They

insist on values, but not necessarily on bargain prices. They realize that one article priced at \$10 may be a better value than a similar article priced at twenty-nine cents; that the latter very likely isn't worth even the bargain price, hence to buy it would be to spend twenty-nine cents for nothing.

Substantial proof of this is found not only in the fact that our sales have been maintained without saying a word about bargains, but also in the even more impressive fact that we have sold more higher priced goods mounted in solid gold this year than in any previous year.

Our sales were already well ahead in this line before we introduced our new "Autograph" set a few weeks ago; since then they have taken a sharp upturn. That, by the way, is an interesting example of how eager people still are for new things, even though they may be comparatively expensive. We recently arranged to reproduce one's exact signature on the gold band of our finest pen and pencil, the set to sell at \$25. I had my signature reproduced on my pen and showed it to our better dealers on whom I called. In many instances dealers showed it to prominent customers

while I was there and almost without exception customers were keenly interested. One bank bought eighteen sets for employees. A man in Atlanta immediately recognized this as an ideal gift and bought it to present to a nationally prominent sportsman who has already been given about everything imaginable, and so on. It proved so popular, in fact, that we had a large volume of orders on hand before we ever made the general announcement to the trade, to say nothing of advertising it to the public.

People still will buy values. Fifteen years ago our popular price pen sold at \$2.75; today our popular price pen sells at \$8.75, but it is a better value even at the higher price, and we are selling many times as many pens now as then. Along with them we usually sell an automatic pencil at \$3.25 to \$12 and perhaps a sports pencil at \$2.50 or more. Add a safety pen filling bottle at fifty cents to \$10 and the price of our finer sets mounts as high as \$50.

People still will buy style. The dressmakers have succeeded in making
(Continued on page 324)

Tracing Your Wholesale Trade

Leading Grocery Brands in Small Towns

This is the second of a series of articles based on a study of wholesale trade in four primary lines: grocery, drug, hardware and dry goods. The study was carried out to determine what volume and percentage of business was done in small towns, and what status the sales of nationally advertised lines, versus sectional brands, enjoy in those markets.*

BY WALTER MANN

THIS week's article reports the leading brands in sixteen grocery lines as given us by twenty-six jobbers of all sizes and types, located all over the country—from Syracuse, New York, to Miami, Florida—and from New Orleans to Seattle. The lines reported are as follows: prepared and unprepared breakfast foods, coffees, flours, kitchen cleansers, syrups, crackers, baking powders, mustards, cheese, laundry soaps, soap flakes, canned vegetables, canned fruits, salt and soft drinks.

In this part of our recent study of the small town market, as seen by wholesale executives, the interviewers asked the responding grocery jobbers to list as "first," "second," and "third" the leading brands that they sold to small town retail grocers in each of the above-mentioned groups and lines, including both nationally advertised and private or sectional brands. This not only gave us the relative standing of the nationally known brands, but also showed how these nationally advertised brands stood as a group when compared with the private and sectional brands.

It was felt, moreover, in posting these replies, that the responses would provide a better picture of the actual

standing of the various brand names mentioned if the tabulations were to include a basis of scoring according to the number of firsts, seconds and thirds enjoyed by each brand, as well as the actual number of times it was mentioned in the twenty-six interviews.

Therefore an arbitrary system of scoring *three points* for each "first," *two points* for each "second" and *one point* for each "third" was used. If only one brand was carried or mentioned, it was listed as a "first." If two products shared "first" honors, the first score was divided equally between them.

The expressions of small town leadership by many well-known products in many lines not only show that nationally advertised brands are *sold very extensively by small town grocers, but that in many, in fact in most, cases—they are actually the leaders in sales volume!*

This certainly tends to dispel the idea sometimes felt by national advertisers to the effect that the average small town consumer has difficulty in buying nationally advertised products because of the lack of distribution in small towns. Our findings certainly seem to show that any such difficulty in small town distribution is due to a lack of definite cultivation of the easily available small town distributing machinery on the part of the

manufacturer and his agency rather than to any existent flaw in the small town market as a market.

In the light of the facts which we have just gathered, it is also hard to understand the viewpoint of certain national advertisers who think that small towners generally are buyers of different (i.e., cheaper) types and grades of groceries than their city brothers. This certainly appears to be a fallacy, for by the actual statements from the jobber (who makes the bulk of the sales to the small town), nationally advertised products are leaders in eleven out of these sixteen lines of grocery products that they distribute to small towns!

The facts following, which have generally been conceded to be an exceptional collection of data (due to its confidential and semiconfidential nature) show which of nationally advertised brands led in the small town sales procession, and in which lines they fell behind the private or sectional brands. They also list the leading brands in each line—whether nationally advertised or private or sectionally branded merchandise.

Grocery Products Ratings

Breakfast Foods—Prepared

In the case of breakfast foods, nationally advertised products hold definite preference in the responses of the grocery wholesalers interviewed.

Brand	No. Times Mentioned	Rating
Nationally Advertised . . .	51	113
Private or Sectional	3	5

This preference appears to be distributed among four well-known product groups, with Kellogg somewhat in the lead.

Brand	No. Times Mentioned	Rating
Kellogg Products*	22	49½
Post Products*	18	45½
Shredded Wheat	9	15
Quaker Products*	2	3

Breakfast Foods—Unprepared

Still leading by a wide margin but to a less degree than with prepared foods, nationally advertised brands have the advantage of private brands in unprepared breakfast foods.

Brand	No. Times Mentioned	Rating
Nationally Advertised . . .	41	93
Private or Sectional	14	23

This preference appears to be confined largely to two brands.

Brand	No. Times Mentioned	Rating
Quaker Products*	16	44
Cream of Wheat	16	36

Of the three other nationally advertised brands named in the responses, Ralston* (6), Wheatena (4), Three Minute Oats (3), only Ralston seems to enjoy a little advantage over the private label responses.

*These products were grouped instead of being listed separately because it was felt that this gave a better picture of the general brand name. It includes in each case all products mentioned under the general name.

*This study was made by Walter Mann & Staff and sponsored by Household Magazine.

Coffee

In the case of coffee, nationally advertised brands are still in the lead so far as sales through these wholesalers are concerned, although the private label brands run a close second.

Brand	No. Times Mentioned	Rating
Nationally Advertised ...	31	65
Private or Sectional	26	61

Of the eight nationally advertised brands of coffee sold by these jobbers, Maxwell House heads the list in small town sales.

Brand	No. Times Mentioned	Rating
Maxwell House	16	36
White House	6	12
Boscul	2	5

Others mentioned were Del Monte (4), M. J. B. (3), Beechnut (2), Hills Brothers (2), and La Touraine (1). There were no outstanding private label brands.

Flour

Although Gold Medal and Pillsbury seemed to have succeeded in winning exceptional favor in small town sales, private brands appear to be in greater favor in the flour group.

Brand	No. Times Mentioned	Rating
Private or Sectional	22	50
Nationally Advertised ...	14	31

The nationally advertised brands showed up as follows:

Brand	No. Times Mentioned	Rating
Gold Medal	6	13
Pillsbury	5	10

Ceresota (3), Occident (3), Swansdown (2). There is no outstanding private brand.

Kitchen Cleansers

In kitchen cleansers, however, private brands are totally out of the running.

Brand	No. Times Mentioned	Rating
Nationally Advertised ...	47	109
Private or Sectional	4	5

The leader, by a wide margin, in kitchen cleansers is Old Dutch Cleanser, with more than twice as many mentions and points as its nearest competitor.

Brand	No. Times Mentioned	Rating
Old Dutch Cleanser	22	56
Gold Dust	8	20
Kitchen Klenzer	6	12

Eight nationally advertised brands in all were mentioned. Bon Ami (9), Bab-O (4), Brillo (3), Swift's Pride (2), Rinso (2).

Syrup

In the case of syrups private or sectional brands have a small town sales lead.

Brand	No. Times Mentioned	Rating
Private or Sectional	29	63½
Nationally Advertised ...	24	53½

This would appear to show a definite hold on the syrup market by private brands. There were twenty different brands listed.

Of the nationally advertised brands, the following were scored:

Brand	No. Times Mentioned	Rating
Karo	14	37
Brer Rabbit	4½	8½



Typical small town grocery store of today located in Hiawatha, Kansas, forty miles north of Topeka. Population: 1920, 3,222; 1930, 3,305. The advancement of the small town grocer is clearly reflected in the modern counters on the left hand side of the store as compared with the typical crossroads store counters on the right. The shipping crate of wax-paper covered Merit bread, the orderly rows of canned goods and of prepared breakfast foods are evidences of the existence of branded merchandise now carried by small town retail grocers. Note also the contrast between the up-to-date scales and the old style icebox on the left; the old-fashioned stove and the electric lights.

Log Cabin	4	7
Amazo	1	1

None of the private or sectional brands really stood out except Haley's (6), Cairo (5), and I. G. A. (5). On the other hand, only Karo's marked leadership saved the nationally advertised brands from a much worse standing in the syrup group.

Crackers

Private brand crackers show a slight dominance over nationally advertised brands.

Brand	No. Times Mentioned	Rating
Private or Sectional	12	31
Nationally Advertised ...	10	27

In nationally advertised cracker sales, the National Biscuit Company has a decided leadership over any other individual brand name.

Brand	No. Times Mentioned	Rating
National Biscuit Co.	7	19
Loose Wiles	3	6
Edgemont	3	6

Loose Wiles ties with Edgemont for second place. No private or sectional brand was outstanding.

Baking Powder

Out of a total of 140 points scored by ten brands of baking powder, 114½ of them were scored by three nationally advertised lines. Only 25½ points were given to private or sectional brands.

Brand	No. Times Mentioned	Rating
Calumet	22	55
Rumford	13	25½
Royal	12	20

"K. C.," a private brand, succeeded in taking fourth place with 18½ points, preceding another well-known brand, Davis, which showed but 14 points.

Mustard

Nationally advertised brands appear to have a fair edge over private and sectional brands of mustard among the wholesalers who responded to our questionnaire.

Brand	No. Times Mentioned	Rating
Nationally Advertised ...	32	65
Private or Sectional	22	51

French Mustard has a wide lead over the second nationally advertised brand.

Brand	No. Times Mentioned	Rating
French	17	39½
Gulden	7	12
Libby	3	5
Coleman	2	4½
Durkee	1	2
McCormick	1	2

Out of eleven private brands the only one even faintly outstanding was I. G. A. (5).

Cheese

Kraft Cheese is the leader by a large margin compared with five private brands mentioned.

Brand	No. Times Mentioned	Rating
Kraft	10	24½
Private or Sectional	5	12½

This is just one more illustration of the leadership enjoyed by a nationally advertised brand in small town grocery stores.

Laundry Soap

Out of 129 points scored by nineteen brands of laundry soap, 103 were for nationally advertised and twenty-six for private brands. Procter & Gamble,* the leader, scored almost one third of these points, with Colgate's Octagon* running a fair second.

(Continued on page 327)

Benson Outlines Agency Stand on Radio at Cleveland Meeting

CLEVELAND, November 17-19. —The eighth annual convention of the National Association of Broadcasters opened on Monday at the Hotel Statler with a welcome by the Mayor of Cleveland. William S. Hedges, president of the association, responded with an address in the course of which he reviewed the history and accomplishments of the association and said in part:

"The maximum of commercial time on broadcasting stations is, I believe, around 60 per cent. Stations should, therefore, base their rates upon 60 per cent commercial as normal occupancy. With that as a basis, rates should be established so that the stations will be at least self-sustaining. To sell time or talent at less than that rate is foolish from an economic standpoint and results in the parent company paying part of the cost of the program sponsors' time.

Educational Broadcasting

"A demand has been made upon Congress on behalf of educational interests that 15 per cent of the radio facilities of the country be turned over for educational broadcasting. If this demand is successful, it will result in a tremendous upheaval in the radio industry despite the fact that no definite program has been submitted as to how these wave lengths will be administered. The demand is nevertheless made.

"It is foolhardy for broadcasters to assume that they can supplant other advertising media. However, that broadcasting can increase the effect and influence of other advertising has been successfully demonstrated."

Tuesday's session opened with an address by John Benson, president of the American Association of Advertising Agencies. He said in part:

"The advertising agency has become deeply interested in spot broadcasting. We realize its growing place on the air. We see it developing as a medium comparable to the press, whereas network radio is more like magazines. We were slow to take it. Our first love was lavished on the chains. They were organized. They had nationwide facilities at our command. In chain broadcasting, the agencies have done an outstanding job meeting the



John Benson, president of the American Association of Advertising Agencies, who spoke at the convention of the National Association of Broadcasters this week.

needs of a novel field with skill and resourcefulness, which built another major medium for using. For a few years there were many difficulties in the spot broadcasting field.

"Talent and coverage problems bristled from coast to coast. You naturally sought some other approach to our clients. That is what gave the broker his chance. He interested advertisers in spot broadcasting. Sometimes he had a constructive idea to offer and he had some information to impart. As a pioneer, he is entitled to credit, that is, when he did a real job.

"Many others have arisen who are not in that class. Brokers who have no real technique nor advertising ideas. They offer to split with us the generous commission obtained from the stations, to obtain our cooperation and influence with clients. It is a very fascinating offer they make. When I ask them if they think that is fair to the medium and to our clients to give us an unearned split, they seem surprised and amazed.

Doubtless, this is hard on those brokers who do render service well worth their share of the commission, and let us have the velvet. But it is nevertheless an uneconomic system. Fifteen per cent is not enough to pay for selling this job and then servicing it besides, and it is too much to pay for mere selling. Though specialists with ideas and experience to offer and a program bureau equipped to help agencies or advertisers do a spot job have a place in this business, they render the medium a service but selling the medium and servicing its users are separate functions. They don't go together.

Competing Stations

"Neither should a selling agent or solicitor represent competing stations. That is unsound. The advertising agency can do so just as it deals with competing papers and other media employed but it does not sell.

"In the publication field, agency recognition is not all that it should be, but some efficiency standards are applied. The publisher bodies have recognition committees which require of the applicant some degree of character, ability and experience. This is a safeguard of credits and also lessens malpractice. Both advertiser and publisher are protected against the unreliable and incompetent agent.

"Your broadcasting stations should have a similar committee for granting agency recognition, requiring in the applicant not only advertising experience but also ability to do a radio job.

"One of the important things to establish in the spot radio medium is a firm rate structure, one that is based on influence and coverage of the station and cannot be chiseled by anyone. That is anything but true at present. Rates are unstable and have little or no logic behind them. Some may be too high and others too low. Advertisers are not treated alike. Some get better rates than others. This is bad for a medium and handicaps its use. In some stations, there is a dual rate, one for national and another for local. This we agencies deplore. We have had so much trouble with dual rates in the newspaper field that we fear them in radio.

(Continued on page 320)

more

copies of

The **CALL-BULLETIN**

SAN FRANCISCO'S LEADING EVENING NEWSPAPER

go into
San Francisco **HOMES**
each week day
than any other
San Francisco newspaper

FIRST in CITY CIRCULATION

Among San Francisco Daily Newspapers

GREATEST EVENING CIRCULATION

in All of Northern California

Ruud Finds a Way to Lick the Seasonal Market Problem

UNTIL 1929 our selling was decidedly seasonal. Water heaters were sold during the months of March, April, May and June. If we didn't make hay while the sun was shining in these spring months, we simply had to wait for next year's peak season to roll around.

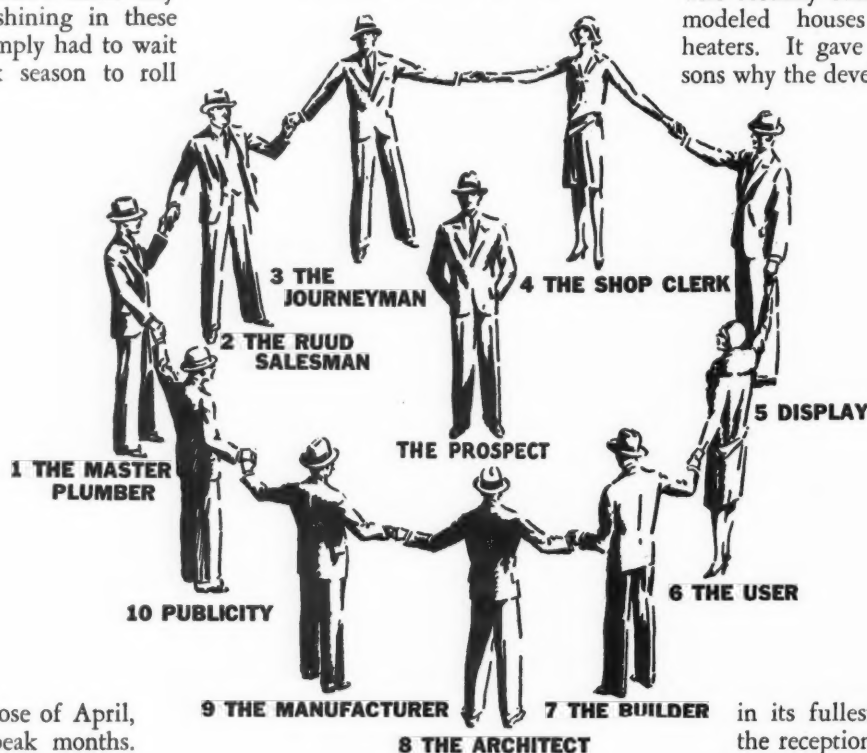
Last year we planned a year's continuous effort in four campaigns, each suited to the season in which it was to be operated. We didn't wait to take business as it came, but organized to go out and get it, on a twelve months' basis.

From the very start the plan was a success. Our January, 1929, sales (normally one of the lowest months) exceeded those of April, 1928, one of our peak months. Likewise our December, 1929, sales exceeded those of May, 1928.

We planned, as I have said, four separate campaigns. Each campaign had a central idea. The first was built around the joy of hot water and its quick and inexpensive availability. The spring campaign capitalized on cleaning, insisting that cleaning begin with the person. The fall campaign was directed toward the development of orders among new homes started in the spring and summer, then nearing completion, and remodeled homes nearing completion and ready for a water heater. The final campaign of the year endeavored to help build extra holiday profits for the dealer.

The Ruud water heater is sold through plumbers and gas companies. In the New York district these two types of distributors work together closely and protect each other. Co-operating with the sales efforts of these

BY R. S. CLARKE, JR.
Manager, New York Division, Ruud
Manufacturing Company,
Pittsburgh, Pennsylvania



The ten factors that hem in the prospect are described graphically in the "Ten-to-One" portfolio for dealers.

dealers is a Ruud sales force of nine men whose entire time is at the service of the dealers. They train the dealer's sales force, help with his displays, sell with him and follow up inquiries. Every Ruud heater sold brings a profit to some dealer. Because of this policy Ruud salesmen receive the fullest confidence of the dealers. Paying salesmen a salary and commission on sales in their territory keeps them on their toes to use their time to the best advantage with the dealers.

While the campaign available for the gas company dealer differed from that offered to the plumber, each was suited to the dealer's requirements and the topics of the season. The Harvest Time campaign, for instance, urged the plumber dealer to clean up the

developed or carry-over prospects from the spring campaign. The plumber was told in some twelve sales arguments how and where prospects who recently completed houses or remodeled houses could use water heaters. It gave as many as ten reasons why the developed prospect might

now be ready to buy since the salesman had last seen him. A vest pocket size record book was given the salesman to keep track of his prospects and check on their development.

Emboldened by the success of the 1929 campaigns, The Ruud Manufacturing Company continued the procedure this year with several refinements. The value of thus developing the plan

in its fullest detail is proved by the reception gas company dealers have given it. Every gas company that accepted the plan agreed to follow it in its entirety. How valuable coordination of each step was, is proved by one gas company dealer with over 100,000

meters on its lines, which sold 987 heaters in a three months' campaign. In the New York territory, 450 plumbers accepted the plan and pledged themselves to sell ten heaters each. One plumber dealer by following every detail of the plan faithfully was able to sell eighty-two heaters single-handed in one year.

This campaign, the "Ten-to-One Plan," in the case of the plumber dealer, left nothing to his imagination. A plan portfolio showed in detail how the plumber cooperating with Ruud can use ten factors to make the sale. First the master plumber was told what he must do. Then the second factor, the Ruud salesman, cooperated with him by holding shop meetings

(Continued on page 319)

Connect *your* distant Offices by Telephone Typewriter Service

TELEPHONE TYPEWRITER SERVICE speeds business and cuts operating costs. It transmits typewritten messages instantly between the separated divisions of an organization. It is quick, accurate and handles an unlimited flow of incoming and outgoing messages in a single business day. Orders are reproduced identically on duplicate printed forms. Inquiries are answered from a distant city the minute they arise. Routine is simplified and expensive duplication of operations eliminated.

A textile company has headquarters in Boston, sales offices in New York, a manufacturing plant at Biddeford, Maine, and a bleachery at Lewiston, Maine. Telephone Typewriter Service ties together the operation of all these units. An official writes: "Many transactions can be cleaned up on the same day that they arise, even if they concern several offices. A saving of 48 hours or more in the handling of orders is frequently effected."

A public service corporation uses Telephone Typewriter Service to connect its offices in three cities. General information and executive messages are exchanged.

Your local Bell Telephone Business Office will gladly show you how this modern business aid can be of value to your company.



The New York office of the International Nickel Co., maintains constant contact with factories at Huntington, W. Va.



Nine outlying plants are connected with the Chicago office of the American Can Company by telephone typewriters.



The Kelly-Springfield Tire Company uses telephone typewriter service between New York and Cumberland, Md.

Many fabrics have been sold as "fast to light" which fade when subjected to light tests.

BY
GEORGE H.
JOHNSON
*Director of Research,
Laundryowners National Association,
Joliet, Illinois*



Photo by U. & U.

The Laundry Industry Tackles Its Damaged Goods Problem

VAUDEVILLE patrons have chuckled at comedy gibes aimed at the laundry for years. But to the laundry owner it is no laughing matter when a housewife meets a laundry routeman with a damaged article in her hands and blood in her eye. One of two things very frequently happens—the laundry makes good in cash, or it loses a steady patron—sometimes both.

Last year power laundries handled somewhere near a total of \$600,000,000 worth of washing. And the average percentage of claims to volume ran to nearly 1 per cent of that total—.81 per cent is the estimated figure. A \$5,000,000 charge on the books of any industry represents material for deep thinking, in these days of diminishing profit margins.

The laundry industry is not only thinking; it is also acting. It fully realizes that the actual cash paid out is only a minor part of the cost of damaged goods. Customer ill-will and loss of confidence result in a turnover of accounts which adds tremendously to the cost of doing business.

This washday business has made giant strides in the eighty years since the first laundry was established back in the days of the "forty-niners" to take care of the needs of men who

Scientific research plus educational advertising and contact work with textile producers and retailers is now being used cooperatively by laundry owners to overcome the industry's one greatest source of ill-will, lost customers, and dwindling profits.

were too busy washing for gold to think of washing their clothes. The national average of families using laundry service is above 25 per cent; in some metropolitan areas over 50 per cent. Taking \$30 as the value of a typical laundry bundle, it would appear that the laundries of this country handle, in the course of a year, well over \$10,000,000,000 worth of clothes.

How is the laundry industry meeting this trying problem of claims from dissatisfied customers? The answer to this question is of interest to every business executive. In one form or another, the same problem exists in every field. Sometimes it bobs up under the heading of returned goods, but it is always prevalent. Hence the steps taken by the industry, or rather by the Laundryowners National Association of the United States and Canada, representing some 2,600 firms

in the industry, are being closely watched by manufacturers and retailers alike.

The first and most obvious step toward reducing the number of claims for damaged articles was taken some time ago by this organized element, and it was naturally within the industry itself. Washing methods were studied to answer such questions as these and many others:

"How many suds and rinses should be used?"

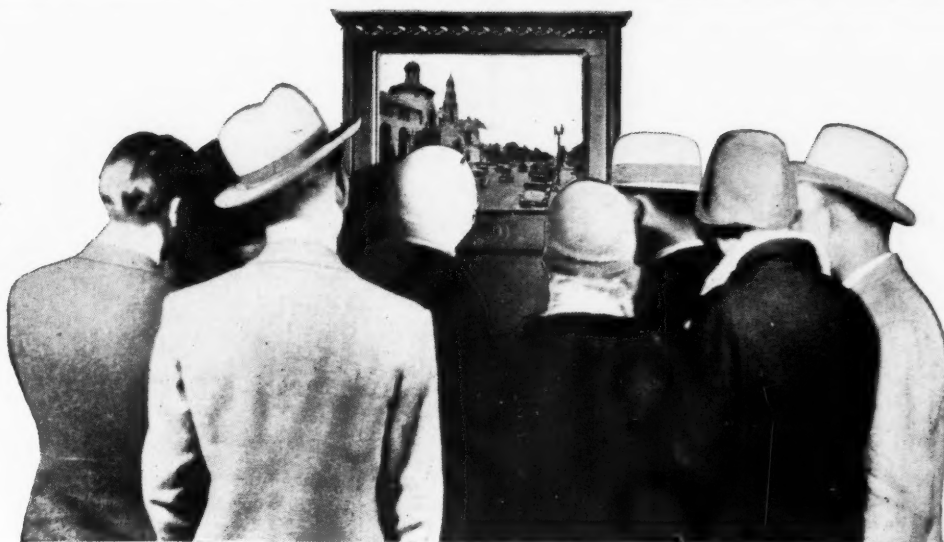
"How long should a given suds or rinse be run?"

"What washing formula should be used for white shirts, light colors, woolens, silks, curtains or any one of the dozen or more classifications that come to a laundry?"

"What classification shall be used?"

In other words, laundries have been attempting for years to put their wash-rooms on what may well be termed

This Salesman talks all night



Words and pictures of your product can be seen by thousands all day and night

AND HE SHOWS lighted pictures too! Use in store windows, banks, railway stations and convention exhibits—wherever crowds pass. The Automatic S. V. E. Picturol Projector will sell your product hour after hour.

Set up the machine and screen, turn on the current and the small motor changes the still pictures at any interval you fix. Pictures are on small film roll. It carries text, charts, pictures as you wish.

Machine can be easily moved, is

simply constructed, runs on electric light current.

S. V. E. also makes similar machines manually operated for sales and lecturing purposes.

Investigate these machines for your business. Full information without obligation.

SOCIETY FOR VISUAL EDUCATION, INC.
Dept. 2110, 327 S. LaSalle St., Chicago, Illinois

I would like to know more about S. V. E. machines, especially the S. V. E. Automatic Picturol Projector.

Name _____ Position _____

Company _____ Address _____

City _____ State _____

S V E SOCIETY FOR VISUAL EDUCATION, INC. **S V E**
Manufacturers, Producers and Distributors of Visual Aids
327 SOUTH LASALLE STREET CHICAGO, ILLINOIS.

a scientific basis—to make their product *right*. In 1918 the association established a research fellowship at the Mellon Institute of Industrial Research, Pittsburgh, and the intensive study of causes for damages to fabrics was begun. Through cooperation with manufacturers of laundry equipment and supplies, remarkable improvements have been brought about.

Bulletins of all findings of the research staff have been circulated to all association members; as rapidly as better methods have been perfected, they have been passed out so that all might benefit. From slipshod, hit-or-miss methods, the industry has turned to painstaking precautions for safeguarding fabrics.

Formulae are thoroughly worked out to allow an ample margin of safety, and when followed by any laundry, result in clothes hygienically cleaned at a minimum of strain to the fabric. The old and widely believed assertion that laundries used "powerful acids" to clean clothes no longer holds good—if it ever did.

New Woes for Old

While all this progress was being made within the industry, certain developments were taking place in the textile and the retail dry goods fields that went far to bring conditions back to their previous unsatisfactory state as regards damaged fabrics.

The introduction of rayon and other synthetic fibres, the greatly increased use of silk, and the popularization of collar-attached shirts added much to the laundry owner's woes. The trend toward color regardless of color fastness further complicated matters. And, finally, a distinct grading down in the quality of many articles, to meet price competition, piled still more grief on the laundry owner's shoulders.

The department of research of the association soon began to receive damaged articles on which laundries had been asked to make good, the laundry proprietors wishing to find out whether their practices were at fault, or whether conditions beyond their control were responsible. With scientific laboratory tests, and the application of common sense, it is possible to determine very accurately just why a fabric fades, or shows excessive shrinkage, bleeding, or any of the other frequent causes of customer complaints.

For example, one laundry owner sent in a lightweight blanket which had literally fallen apart during its first washing, despite the fact that it had been laundered with the utmost care in lukewarm water, a neutral soap solution being used. The fill-

ing, running at right angles to the warp, had given way although the warp was not affected. A tensile strength test showed that the warp threads had a breaking strength of twenty-five pounds an inch, while filling threads broke with a strain of only five to eight pounds. The blanket held together while dry, but upon contact with water inevitably collapsed.

Clearly the blanket manufacturer concerned in this particular case, and not the laundry, was at fault.

Hundreds of such examples have come to the attention of the department of research. Towels, shirts, curtains, tablecloths, dresses—all kinds of fabrics and colors—have been studied in our laboratories to sift the responsibility for damage. Analyses revealed these two facts:

1. Many fabrics have been offered to the public as "washable," "unshrinkable," "fast to light," etc., without these claims being verified by the manufacturer. The use of the wrong kind of dyes, lack of judgment in weaves, use of materials from two different bolts of goods in the same garment—these are typical practices that make for poor launderability.

2. The deliberate application of the principle of *caveat emptor*, "let the buyer beware," has led some manufacturers to produce "price" merchandise which obviously could not give satisfactory service.

Educating Manufacturers

Quite naturally, the laundry industry has refused to answer for the sins of omission and commission on the part of other industries. While many laundries have made good on damage claims rather than lose valued customers, there has been a growing tendency to tell women the truth about the reasons for poor launderability and through pressure on retailers and manufacturers to eliminate the trouble-making practices.

But the real remedy for this condition, as the association saw it, was education—education of the textile industry. Accordingly, in 1928, the association began the publication in a weekly message to manufacturers, converters and retailers dealing very frankly with the laundry point of view. This message occupied a full page in two publications reaching this field, and was made up in newspaper style with the uniform heading, "Laundry Standard."

I prepared the text matter not as an advertising copy writer, but as a textile chemist. The position was taken that the laundry industry is the "maintenance division" of the textile

trades, and hence an integral part of it. The messages stated in so many words that buck-passing and shifting of the blame for poor launderability would benefit neither the laundries nor the manufacturers, but that cordial cooperation would prove profitable to all concerned. It was declared, and proved with actual case histories and photographs, that the department of research had learned facts about fabrics which the producers and distributors of these fabrics ought to know, for their own selfish interests.

Some of the headings for the "Laundry Standard" pages, which have appeared continuously for more than two years, show the general character of these discussions: "Does it pay to test wash goods?", "Striving for volume may be a boomerang—textile houses should study public's reaction," "Shrinkage varies with cloth," "Do laundries boil wool?", "What do you mean, 'acids'?"

Offers to Test Goods

With the operation of the new American Institute of Laundering, the million-dollar structure at Joliet, Illinois, which now houses the association, except for one research laboratory at Mellon Institute, the "Laundry Standard" pages began to stress the fact that the association would conduct washability, shrinkage and color fastness tests for manufacturers. The department of research offered to give an unbiased report dealing with the launderability of wash goods—thereby enabling manufacturers to verify their claims before fabrics are placed on the market. It is felt that no manufacturer of integrity would offer to the public a fabric which he knew would prove unsatisfactory in service.

Tests conducted by the department of research make use of actual laundry conditions—hence their practical value to the manufacturer. It may be argued that these conditions are more severe than need be; that fabrics will launder well under home washing that cannot pass the laundry test. Regardless of the merits of this argument, the textile manufacturer can no longer ignore the laundry, with 25 per cent of his market using this washday method.

Requests for the department of research testing service have grown by leaps and bounds since its existence became known. The shirting group, in particular, has shown itself interested in the question of shrinkage. A large number of brands of shirts being sold as shrink-proof have been tested. From these tests it has been

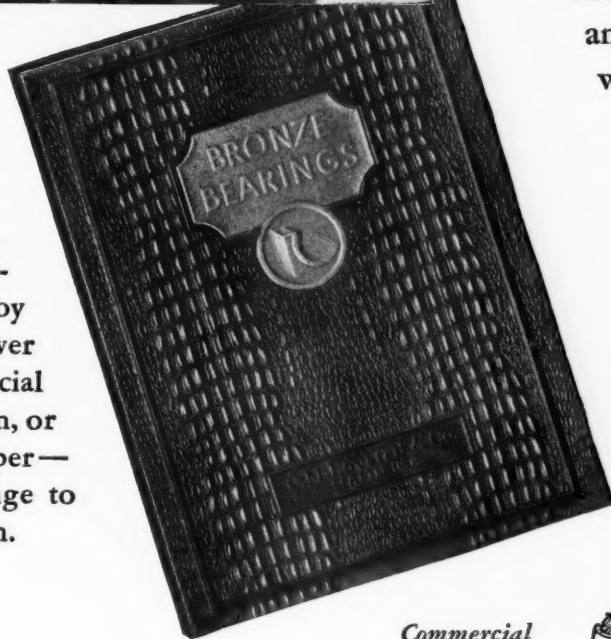
(Continued on page 323)

THOSE MOLLOY COVERS

Certainly Do Command Attention!



If you want the increased sales help that only such covers can give, then, without obligation, send for sample Molloy-Made Covers and let Molloy craftsmen submit a cover idea. Whether it be Artificial Leather, Flexible Mocotan, or Hot Die Embossed Paper—there is a full price range to suit your sales problem.



Commercial
Covers



for Every
Purpose

THE DAVID J. MOLLOY COMPANY

2869 North Western Avenue
CHICAGO

New York Address
52 Vanderbilt Avenue

Is Your Sales Quota Based on Facts?

BY PERCIVAL WHITE*

THE sales quota may be merely an impossible goal which the salesman is never expected to reach. It may be, on the other hand, a figure which ought to be equaled by the sales force, a figure upon which production can be dependably based, and a figure which is a real guide to future expansion and financing. The personnel of the sales department may determine the type of quota given to the individual salesman. Yet, regardless of this, the company should have a sound knowledge of its future prospects based upon facts. Only in this way can it successfully provide for development.

Basis of Quota-Setting

The scientific sales quota can be constructed only when detailed information is available. It is formulated by (1) considering the published market analyses of the country; (2) collecting pertinent information on the particular commodity or firm; (3) finding a market index; (4) analyzing company sales; (5) analyzing competition; (6) finding the reasons for local variations, and (7) setting the quota.

Market Facts: The United States census, "Population and Its Distribution" by the J. Walter Thompson Company, the income tax returns, the markets and media reference number of SALES MANAGEMENT, automobile registrations, "Sales Quotas" by the Curtis Publishing Company, and similar statistical sources furnish the basic information for a territorial market analysis. These, however, usually do not furnish all of the facts requisite to gauge the potential market for a product. Additional facts whose desirability have been indicated are then collected from the field by personal interviewing or mail questionnaire. When the data has been collected, it must be organized to provide a picture of the potential market.

The Market Index. For some products, income tax returns are not very

useful. For other products, income tax returns are useful in large cities but not in rural communities where a large portion of the real income never takes the form of taxable cash. The statistical information will furnish a barometer of potential sales if it is properly analyzed. The tire manufacturer may find that automobile registrations show a close relationship to tire sales. In addition, income tax returns may affect the length of time cars are used before replacement, this in turn changing the volume of potential sales per car registration. Likewise, a business depression will have some bearing upon car replacements. If advertising is concentrated in one magazine, sales may be expected to be greater where its circulation is most dense. Many factors enter into the sales volume of a product, but, given adequate statistics, a good statistician will eventually work out a dependable market barometer. This will probably be a composite, depending upon several sets of current statistics and allowing for major changes in business conditions. This market index is fundamental in setting and changing a sound quota periodically.

Local Variations

Company Sales. Not only must the market index check when it is applied to actual past conditions and statistics but it must bear some close relationship to the past sales of the company. These are broken down territorially and closely examined. Where, in any territory, sales differ considerably from the percentage of the total market potential which total sales account for and do not vary with the market index, the reasons for this must be ascertained. The presence of foreign born population, for example, may be very important; competition is usually of significance. As a result, a close study of competition under actual market conditions is usually required. When a market index and market potential are finally worked out which stand the tests of local variations and past sales experience, the major problem is solved.

Setting the Quota. With the organized material available, the total

quota is easily set by means of selecting the portion of the total potential market which past sales and present conditions warrant. This total is then broken down according to the portion of the market, which, according to the market index, exists in each territory. Allowances are then made for the peculiarities of each unit area, the result being the unit's final quota. This procedure is not unduly difficult and, once adopted, gives the basis for a permanent sound quota. Periodic revision is relatively easy, although it sometimes involves collecting up-to-date field information.

How It Works Out

In the case of a liquid fuel stove company, the sales quota was worked out in systematic manner. After basic published statistics had been obtained, Iowa was chosen as a sample of the market. Then the quota was determined in the following manner:—

1. Statistical tabulation of families using liquid fuel stoves.
2. Information in test territory (Iowa) as to number of families actually using liquid fuel stoves, as to buying habits (where they buy and how often they buy), and finally the breakdown of this information into definite trading areas. This information was obtained by personal study and mail questionnaires.
3. Formulation of an index which served to indicate the potential market and which paralleled the statistical results obtained by a study of the test territory. This required extensive tests of the index to see whether it worked in all cases, and, where it did not work, to see exactly why.
4. Working out of market statistics by counties. Determining the share of business which the company should obtain.
5. Assignment of quotas by branches, and by individual salesmen, the final assignment being based upon both the statistical information available and the past sales of the territory as revealed by the company's records.
6. Gradually bringing into line of the potentiality and the actual performance. This process differed

(Continued on page 321)

*This is one of a series of articles by Mr. White on sales research problems. Others appeared in the issues for November 8, October 4, September 6, August 23, July 26 and July 12.

B I G B U S I N E S S B U Y S W L W T I M E

« « « **WLW** has been adopted by Big Business to increase its volume, widen the scope of its activities, and establish itself in the homes of millions.

When results obtained exceed expectation, one can rightly view broadcasting over WLW as an important and indispensable sales medium. It is significant that users of WLW are Big Business in every sense; their continued and ever-increasing patronage is testimonial of this fact.

THE CROSLEY RADIO CORPORATION
CINCINNATI, :: OHIO
THE HOME OF WLW

Grape Concentrate Drive Starts; Government Ponders First Copy

The Government is not quite sure how to "take" the advertising campaign of Fruit Industries, Ltd., announced in recent issues of SALES MANAGEMENT, which has just been started on a test basis in Milwaukee, under the direction of McCann-Erickson, Inc., advertising agency.

The prohibition bureau is holding to its announced policy of non-interference with the manufacture and use in the home of fruit juices, non-intoxicating in "fact," as laid down by Mrs. Mabel Walker Willebrandt, now attorney for Fruit Industries, Ltd., when she was in charge of Federal prohibition prosecutions.

The new grape juice concentrate is being sold in Milwaukee, primarily through the drug stores, although some grocery stores are being used. These retailers do not have it in stock but merely take orders, which are sent to Fruit Industries and delivery made direct to consumer.

The campaign will be started in Chicago about the first of December, and in New York a few weeks later, SALES MANAGEMENT is informed. "Fairly national" distribution through principal cities, regardless of preva-

lence of wet or dry sentiment, is expected next year.

Time, Inc., Sells Tide; Currier Is New Head

Tide has been purchased from Time, Inc., by a new concern, Tide Publishing Company, Inc.—the owners of which include Everett R. Currier of Currier & Harford, Ltd., and Currier & Ives, president; Raymond Rubicam of Young & Rubicam, Inc., advertising agency, consulting editor, and Philip Kobbe of Philip Kobbe, Inc. Dexter Masters, formerly of Time, Inc., is editor, and Frederick Franklin, formerly of SALES MANAGEMENT, business manager.

Offices will be at 232 Madison Avenue, New York. *Tide* will continue as a monthly devoted to advertising.

Mail Order Catalogues to Carry Advertising

The mail order catalogue has become an advertising medium. Sears, Roebuck & Company, Chicago, and National Bellas Hess Company, New York, have already adopted the plan, effective with their spring issues. Montgomery Ward has not.

Sears, Roebuck's catalogue, issued twice yearly, has a circulation of about 7,500,000. The issue distributed early next year will contain an advertising section of four pages. Among advertisers already signed are a "large automobile company and a large publishing house," an official of the company told SALES MANAGEMENT.

"The relationship with advertisers is the same as in any magazine of general circulation," he explained. National Bellas Hess "will accept advertising only for products of interest to women consumers" — and will allow regular agency discounts. Its catalogue has a circulation of 5,000,000.

Johnson Joins Stamps with Candy to Win Juvenile Market

Taking advantage of the revival of the small boy's indoor sport, stamp collecting, the Walter Johnson Candy Company, Chicago, has renamed its nut-filled five-cent candy bar, "Walter Johnson's 4-N Stamps," and packs with each five canceled European postage stamps.

Already the demand is such that the consumption is 50,000 stamps a day and 250,000,000 have been bought for reserve.

To the uninitiated it may be pointed out that there is a real business in canceled postage stamps. The Johnson company, discovering this, began buying them by the pound. But shortly, according to N. Harry Cancie, general manager, buying by pounds wouldn't do. So the company now has a man in Europe whose sole business is to buy stamps in as large quantities as he can get them.

Further to whet the interest of the small boy in stamps and candy bars the Johnson company is issuing a loose-leaf stamp album. For three coupons and thirty cents this album is mailed. The album demand has passed the 100-a-day mark.

Distribution of the "4-N Stamp" bar has spread until the country is covered from Denver to Buffalo and from Minneapolis to the Gulf Coast.

The company is just beginning to experiment with advertising and it is possible that a considerable campaign will develop. Distribution so far has been largely through chain stores.

Roden-Clements Company, Philadelphia agency, is now located in the Lewis Tower, Fifteen and Locust Streets.

Bureau of Mines Film "Dramatizes" Gorham

The demonstrating and selling of sterling silver of the Gorham Company, silversmiths and goldsmiths of Providence, is being shown in a film, "Heirlooms of Tomorrow," produced and distributed by the United States Bureau of Mines.

The film covers the drilling of the metal from the depths of the mines at Cobalt, Canada, manufacturing of a teaspoon, detailed shots of a craftsman at work, a church wedding and a wedding reception, showing an array of silver gifts.

Section 29

{National Prohibition Act}

permits it in your home

—and the 20,000 California grape growers stand behind Vine-Glo

You take absolutely no chance when you order the home supply of VINE-GLO—the pure juice of California winegrapes—which the law permits you.

Our responsibility does not end until you have enjoyed—and approved—the product. It must please you—or we cheerfully return your money.

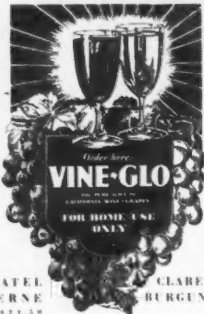
That is not the promise of a "4-N Stamp" concern, interested in making a one-time sale. It is the guaranteed pledge of the 20,000 grape growers of California, acting through Fruit Industries, Ltd., the cooperative organization created to represent them under the U. S. Government's "Grape Control Plan."

Remember, there's just one way to get VINE-GLO. Leading dealers in every town have been especially franchised to take your order for it. Look for the VINE-GLO emblem—then order the quantity and varieties you want. Within 24 hours—or at your convenience—the VINE-GLO will be delivered to your home.

FRUIT INDUSTRIES, LTD.



Eight Varieties:
PORT • VIRGINIA DARE • MUSCATEL
TOKAY • RIESLING • SAUTERNE
A GALLON BOTTLES 10 GALLON BOTTLES



Full pages in newspapers are being used by Fruit Industries, Ltd., to introduce Vine-Glo, its new grape juice concentrate.



THE PIPES OF INDUSTRY are as sensitive and delicately attuned as were the pipes of Pan. President Hoover recently stated, "Advertising is one of the vital organs of our entire economic and social system. It certainly is the vocal organ by which Industry sings its songs of beguilement." Desire, additional demand, increasing production and distribution follow in inevitable sequence. Pictorial expression is the media through which new desires are created, necessities emphasized — consumer and producer brought into immediate contact.

The Sterling Engraving Company is an institution of pictorial expression.

Fac simile halftone from
drawing by C. E. Millard
Courtesy, Select Printing Co.
New York

PROCESS - BLACK and WHITE - BEN DAY - LINE

TWENTY-FOUR HOUR
SCHEDULE OF SERVICE

STERLING ENGRAVING COMPANY, NEW YORK, N.Y.

EAST PLANT — 304 EAST 45th STREET — VANDerbilt 7661-6 • WEST PLANT — 475 TENTH AVENUE — MEDallion 1900-5

The Freshness Stays In

Rich, crumbly doughnuts—tempting—but how often have you passed them by because they were exposed to dirt or handled by fingers that were not any too clean? Bon Bon Doughnuts come to you wrapped in moisture proof packages. They

are just as clean and fresh when you receive them as they are in our sanitary bakery.



BON BON DOUGHNUTS

24¢ a Dozen Wrapped 6 to a pkg.

and
the
Dirt
Stays
Out



☐ PINK SALMON, Deming's Alaska "Kingbird" . 2 cans 25c

The upper section of the weekly circular issued by the Butler stores, New York, announced the new wrapped and branded doughnuts

Packaging and Branding Boosts Doughnut Sales for Butler Stores

Packaging and branding doughnuts increased sales 2,100 per cent in two weeks for the James Butler Grocery Company, chain operators whose headquarters are in New York City, according to Frederick Laing, advertising manager.

The Butler company had been selling doughnuts, unwrapped and unbranded, in its more than 1,000 stores. Instead of selling them in this way, the company decided to wrap them six to a package, selling at twenty-four cents a dozen. They were branded "Bon Bon" doughnuts and wrapped in a transparent material so the package would have the advantage of the eye appeal. Displayed in shallow boxes, they were sent out to each store with the request that each store order several dozen to test the package.

To notify Butler Stores buyers of the innovation, the upper section of the weekly circular was devoted to a line cut and description of Bon Bon doughnuts. This circular averages between 300,000 and 400,000 circulation, mostly over the counter, supplemented by mail and house-to-house distribution.

The week following the announcement in the circular, sales jumped 2,100 per cent over the average volume when the doughnuts were unpacked and unbranded.

Radio-Keith-Orpheum, Inc., New York, has acquired Pathe News.

Long-Bell Lumber Forms a Sales Corporation

Long-Bell Lumber Company, Kansas City, has established the Long-Bell Sales Corporation to handle the business of the company in its "operating and sales relations with the public in the several cities in which it operates," M. B. Nelson, president, informed this magazine this week. The new corporation, organized under the laws of Delaware, is capitalized at \$1,000,000. "There is no change in the management or methods of the company," Mr. Nelson said.

Distribution and sales of the many forest products of the lumber company and relations with the public and dealers, including the 105 retail yards, merchandising stores and various manufacturing plants operated, will be handled by the new Long-Bell corporation.

Prune Growers Plan \$150,000 Program

A \$150,000 advertising campaign, made possible by an assessment of \$2.50 on each ton of prunes, will be launched soon by the California Prune & Apricot Growers' Association, San Jose.

Sunsweet prunes will be advertised in newspapers and twenty-four-sheet outdoor posters in thirty-seven large cities, and in posters alone in thirty-two smaller cities. Trade magazines and direct mail are also being used, and station WJZ, New York, will broadcast twenty-six programs of an educational nature.

Government of Canada Inaugurates Campaign for Dominion Goods

Ninety daily newspapers, thirty farm papers, twenty-five business papers and magazines and large rural weeklies are being employed by the Department of Trade and Commerce, Ottawa, in a Dominion-wide "Produced-in-Canada" campaign. This move on the part of the Federal Government, while a supplement to, is entirely separate from, the "Made-in-Canada" and "Produced-in-Canada" campaigns carried on for a number of years by the Canadian Manufacturers' Association and the individual provinces.

The present Federal Government campaign consists of open letters from H. H. Stevens, Minister of Trade and Commerce, addressed to the various classes of the public. The letter, addressed "To Women Everywhere in Canada," is entitled "Protect Your Breadwinner's Job!"—the text pointing out that the aggregate of individually small purchases on the part of housewives will bulk large when the entire Canadian population is considered. Other letters are addressed to wage earners, to retail merchants, and to Canadian citizens—the last appeal being entitled "Do You Want More Branch Factories?" Of particular interest to manufacturers outside the Canadian borders is the paragraph reading:

"No matter where they locate in relation to where we reside, we're always delighted to hear of branch factories being established in Canada, because of the employment they create for Canadian labor, the market they provide for Canadian farmers and Canadian merchants and the business they stimulate in countless ways and in countless quarters."

J. J. Gibbons, Ltd., is the agency in charge of the campaign.

Reminder Advertising

"Reminder Advertising" is an exclusive trade-mark for use in the advertising specialties field and the exclusive property of the Advertising Corporation of America, who have registered it in connection with a large number of products which they manufacture.

This concern should have been the only one listed under the head of "Reminder Advertising" in the Annual Reference number of SALES MANAGEMENT.

\$1,312,263 Advertising Moves \$135,309,352 of Citrus Fruit

A total of \$13,113,709 has been invested in advertising by the California Fruit Growers Exchange, Los Angeles, cooperative marketer of oranges, lemons and grapefruit, in the last twenty-three years, E. G. Dezell, general manager of the exchange, announced in his annual report last week.

Of this, \$10,664,382 has been for consumer advertising and \$2,449,328 for dealer service activities, which were started in 1915.

About 55 per cent of the total has been spent in the last six years. This year's expenditure was \$1,312,263.

The sales volume of the last season's citrus crop was \$135,309,352, the highest dollar volume on record.

The orange advertising campaign this season, totaling \$726,068, Mr. Dezell continued, "was approximately the average annual investment for the last five years. Lemon advertising reached its largest total, amounting to \$526,901, a large grapefruit budget, \$59,294, was made possible by the larger volume moved and by an increase from five cents to ten cents per box.

"While the advertising appropriations are large in the aggregate, they amount to only one cent per person in the United States and Canada.

"Three primary media were employed. They are, in order of importance, magazines, car cards and newspapers. The first is of class appeal and circulation, the latter two of mass appeal and circulation.

"The magazine campaign was devoted to five major appeals: orange foods, lemon foods, lemon hair rinse, acidosis and vitamin C. Eleven national publications were used, carrying a grand total of 189,640,082 individual advertisements. Of these, more than 55,000,000 insertions were on oranges, 89,000,000 insertions on lemons, 16,000,000 on vitamin C and 29,000,000 on acidosis.

"The newspaper campaign appeared in 141 cities throughout the United States and Canada, in the spring and summer. This campaign was devoted to oranges. A special grapefruit program ran in Pacific Coast newspapers for fourteen weeks. Car card, radio and poster advertising ran in more restricted localities—the first two on the Pacific Coast, outdoor posters in fifteen district office cities and (one sheet) in the elevated and subway platforms in Boston, New York, Chicago and Philadelphia."

Sales Management Weekly Index to Motor Activity

(Average of years 1924-28, inclusive, equals 100)

Year 1930	Year 1929
Aug. 2 ... 78	Aug. 3 ... 136
Aug. 9 ... 90	Aug. 10 ... 129
Aug. 16 ... 88	Aug. 17 ... 137
Aug. 23 ... 89	Aug. 24 ... 135
Aug. 30 ... 89	Aug. 31 ... 138
Sept. 6 ... 88	Sept. 7 ... 139
Sept. 13 ... 89	Sept. 14 ... 142
Sept. 20 ... 87	Sept. 21 ... 140
Sept. 27 ... 87	Sept. 28 ... 137
Oct. 4 ... 79	Oct. 5 ... 143
Oct. 11 ... 86	Oct. 12 ... 142
Oct. 18 ... 82	Oct. 19 ... 143
Oct. 25 ... 82	Oct. 26 ... 115
Nov. 1 ... 82	Nov. 2 ... 108
Nov. 8 ... 83	Nov. 9 ... 103
Nov. 15 ... 83	Nov. 16 ... 103

The exact sources of data on which the SALES MANAGEMENT Weekly Index of Motor Activity is based cannot be completely explained or disclosed for the reason that much of the information used is obtained in confidence. The computation itself is entrusted to one of the leading economists and statisticians of the automotive industry.

Survey of Surveys

(Continued from page 290)

will make any conclusions drawn much sounder. This will apply both to types of programs and to hours of use, although I do not consider that the hours they are now using the radio are necessarily indicative of the hours which they might prefer to use it. It is also true that we shall get information about stations. It would seem absurd to carry out such detailed information, particularly as we are breaking it down to trading area figures, without going the one step further and making available to clients such information. Moreover, we are expecting individual radio stations to be participants in this and some such information is essential to them, though we in no way consider this a popularity of station study nor one of station coverage.

"We believe this is also the only study in which different types of markets can be compared. Not only are we working in the city area itself, but the calls allotted to each trading area by literate white families are also divided in the area, by an index of both families and buying power, between the city and suburbs, the outlying towns and the rural sections, thus making available information to those who want to reach both types of markets. We believe that the contrast offered by the ability to compare one section with another will also be invaluable to those who are using spot broadcasting, since it will enable them to study each audience individually."

*A subsequent circular states that investigators will visit more than 110,000 homes in some eighty-five major areas served by radio. The final report, it is said, will comprise facts based on a net of about 60,000 (original circular says 50,000) interviews with radio-owning women.

OMAHA

is a good place in
and from which

TO DO BUSINESS

The proof is in these statistics of
Nebraska's 1930 production.

- 1st in Wild Hay
- 2nd or 3rd in Corn
- 2nd in Winter Wheat
- 2nd in Alfalfa
- 2nd in Sugar Beets
- 2nd in Hogs
- 2nd in Buttermilk
- 3rd in Cattle
- 3rd or 4th in Rye
- 4th or 5th in Oats

Advertisers have complete coverage
in this fortunate mart, through The
World-Herald, which stands:

1st in Circulation
Easily

1st in Paid Advertising
By Over 83 Per Cent in October

THE OMAHA WORLD-HERALD

The World-Herald's home-delivered-by-carrier circulation is the largest in its history.

O'MARA & ORMSBEE

National Representatives

NEW YORK CHICAGO SAN FRANCISCO
LOS ANGELES DETROIT

Gossip

JAMES W. YOUNG, formerly vice-president of the J. Walter Thompson Company, will join the University of Chicago January 1 as professor of advertising in the School of Commerce and Administration. . . . Evans, Kip & Hackett, Inc., and Industries Publicity Corporation, advertising agencies, will continue, effective December 1, as Evans, Nye & Harmon, Inc. FRANK W. NYE, formerly president of Churchill-Hall, Inc., and Outdoor Advertising Agency, is vice-president; and WILLIAM REA, recently with the George Batten Company and with Erwin, Wasey & Company, has also joined its staff. Other officers are DAVID G. EVANS, president; S. KEITH EVANS, vice-president; and ROBERT L. HARMON, secretary. . . . MORTIMER LOWELL is now vice-president of Street & Finney, Inc., New York. Until recently he was president and director of Small, Lowell & Seiffer, Inc., just merged with the Kleppner Company. . . . GEORGE H. HANDS, advertising manager of *Modern Priscilla*, has been elected vice-president of Harold Cabot & Company, Inc., Boston agency. . . . O. F. BYXBEE has been appointed circulation manager of the International Trade Press, Inc., Chicago, publisher of *American Fruit Grower* and *Highway Engineer & Contractor*. . . . HARRY HAYDEN, for the last two years with the *Christian Herald*, is now eastern advertising manager. . . . WILLIAM E. KEELER has joined the sales staff of George McKittrick & Company, New York, publisher of *McKittrick's Directory of Advertisers*. For the last thirteen years he has been with the *Standard Advertising Register*. . . . C. H. Simond Company and Charles T. Baker & Sons Company, Boston, have been merged as the Colonial Press, Inc., to be operated as a Boston branch of J. J. Little & Ives Company, New York. . . . LOUIS M. CALDERON, for the last ten years engaged in the export business in New York and South America, has joined Jordan Advertising Abroad, Inc., New York, as marketing counsel. . . . EDWARD HOPKINS, JR., until recently western advertising manager of *Outdoor America*, is now associated with M. Glen Miller, Chicago agency. . . . FRANK H. BELL, for nine years western manager of Associated Farm Papers, is now advertising director of the Pacific Rural Press, San Francisco. . . . R. P. KENNEY has been made sales manager in the Pittsburgh district of James P. March & Company, division of the Commercial Instrument Corporation. . . . PAUL THOMAS, for five years director of sales promotion for Cheney Brothers, silk manufacturer, and previously head of his own advertising agency, has joined Lyddon, Hanford & Kimball, Inc., New York agency. . . . GORTON JAMES, until recently marketing editor of *Business Week*, and previously chief of the Domestic Commerce Division of the United States Department of Commerce, has joined the Thompson & Lichtner Company, Inc., Boston, as director of marketing. . . . S. J. RAPP is now South African advertising and merchandising specialist with S. S. Koppe & Company, Inc., New York newspaper representative. Mr. Rapp has had a resident association with South African commercial and industrial enterprises for twenty-three years.

Electric Refrigerator Leaders Get Ready for Santa Claus

Stimulated by a record sales year, the Frigidaire Corporation and the Refrigeration Department of the General Electric Company, leaders in their industry, have just launched programs to put refrigerators in more "stockings" this Christmas than ever before. The keynote of Frigidaire's plan is a "medal of honor"—a sterling silver inscription plate, slightly larger than a half-dollar, affixed to every model purchased as a Christmas gift. Between the words, "Medal of Honor Frigidaire," in raised letters at the top of the medal, and "Christmas, 1930," at the bottom, space is left for hand-engraved initials, monogram or name of the person who is to receive it.



Inscription plate for all Frigidaires given as Christmas gifts.

Special newspaper and direct-mail advertising will promote the idea. Forms will go to present users, offering to let them help select their friends' gifts. General Electric's appeal will be "for men only." A five-act play under the title, "When Christmas Comes," has been prepared to provide information for salesmen on methods of overcoming the hard-boiled masculine prospects' objections. At Christmas the husband supplants the wife as the principal G. E. refrigerator prospect, August C. Mayer, manager of the department's merchandising division, explained. "The housewife is much preoccupied with the task of shopping, planning and arranging for the holiday. The husband, on the other hand, taking but a minor part in these Christmas activities, has, nevertheless, the serious problem of what to buy the wife or family."

A series of mailing pieces have been prepared for dealers to be used in anticipation of the salesman's call.

Account Changes

FRANK G. SHATTUCK COMPANY, New York, Schrafft's candy and chain of stores, to Newell-Emmett Company there. Effective January 1.

FEDERAL MOTOR TRUCK COMPANY, Detroit, to Fecheimer, Frank & Spedden, Inc., there.

HANDY TABLE SET COMPANY, Milwaukee, to Klau-Van Pietersom-Dunlap-Younggreen, Inc., there. (Outdoor and general publications for new table and four chairs, folding together and forming a carrying case.)

GORDON & DILWORTH, INC., New York City, marmalade and other food products, to Doyle, Kitchen & McCormick, Inc., there.

BOYNTON FURNACE COMPANY, New York, househeating boilers, hot water tank heaters and ranges, to Charles Austin Bates, Inc., there. Trade papers and direct mail.

AMERICAN SKYLIGHT COMPANY, New York, ventilating and steel-lead skylights, to Hurja, Chase & Hooker, Inc., Chicago. Direct mail and architectural publications.

POOLE MANUFACTURING COMPANY, INC., Ithaca, electric clocks, to Martin-Pilling-Shaw, Inc., Philadelphia.

INTERNATIONAL VITAMIN COMPANY, New York City, I V C "pearls," to Redfield-Coupe, Inc., there.

AMERICAN FURNITURE MART, HUB ELECTRIC COMPANY, and BETTER THEATRES, INC., all of Chicago, to the Dunham, Younggreen, Lesan Company, there.

SOUTH PLAINS OF TEXAS, farm colonization project fostered by the Lubbock, Texas, Chamber of Commerce and Board of City Development, to the Carpenter-Rogers Company, Dallas.

KEYSTONE AUTOMOBILE CLUB CASUALTY COMPANY and KEYSTONE AUTOMOBILE FIRE INSURANCE, subsidiaries of Keystone Automobile Club, Philadelphia, to Roden-Clements Company, there. Newspapers in cities where branch offices and agents are located.

EHRICH GALLERIES, New York City, to Hazard Advertising Corporation there.

F. A. FOSTER & COMPANY, Boston, Puritan cretonnes, to Badger & Browning, Inc., there. Magazines and business papers.

J. L. PRESCOTT COMPANY, Passaic, New Jersey, Oxol, a new disinfectant, germicide and general kitchen cleaner, to Batten, Barton, Durstine, & Osborn, Inc., New York City.

Long Island Medical Journal and *Medical Times* of New York, will be consolidated with the issue of January, 1931.

Ruud Licks the Seasonal Market Problem

(Continued from page 306)

with his employees to teach them selling, compile prospect lists and advise on window and floor display advertising, help in heater installation, sell the plumber's prospects alone or sell with the plumber's salesman. The third factor, the journeyman and helper, served by finding prospects through filling out a time and report card with the reverse side devoted to information about the water heater the prospect now uses.

A schedule of work was made available for the shop clerk so that this factor could help get business. The shop clerk was taught how to make floor demonstrations, circulate a list of prospects with prepared direct mail material; follow-up by telephone names circularized; maintain attractiveness of displays, keep prospect records in a special "Water Heater Day Book."

Provided Display Material

The fifth factor of display was simplified for the plumber by a prepared and imprinted window display, floor unit, metal signs for trucks, and shop signs.

Arrangements to obtain prospects from satisfied users was possible through a plan of follow-up of names listed in a special follow-up note book. Also the satisfied user, the sixth factor, was offered a bonus for prospect names among his friends.

Making the builder an active agent for the plumber was possible by offering him a special discount if he wanted a Ruud heater for his personal use. If the builder erected four or more houses installing Ruud heaters in them, he could have free of charge 1,000 mailing folders showing a picture of the house and its description, to circularize his own house building prospects. Finally, if the builder will permit it, the plumber had available a four-by-five foot metal sign crediting the Ruud installation to him, which can be set up in front of the house.

A special discount on personal use of Ruud heaters, a delineator chart to help the architect make perspective drawings, an architect's folder on Ruud equipment, were devices the plumber could use to obtain the co-operation of the architect, the eighth factor in the Ten-to-One plan.

The last two factors were Ruud's sales policy and its advertising helps. Ruud offered advertising, a direct selling cooperation, warehousing facilities and a factory time payment plan.



MAGNI-MAID

By BAUSCH & LOMB

A New Christmas Gift

"Haven't you a novelty that's highly distinctive, to give our customers for Christmas?" asks the advertising manager. Yes, here it is—the Magni-Maid.

Entirely new and patented. Combined paper-weight and magnifier. Handsome enough for the living room of any home. Doubly welcome on any executive's desk. Can carry your advertising message, if desired.

Just the right size—lens is 3 inches in diameter. Finishes—bronze, brass or antique. Packed in dignified gift-box and protected by sturdy shipping container. An aristocrat among gifts.

We have an interesting proposal on Magni-Maid. Write for it.



BAUSCH & LOMB

OPTICAL COMPANY

746 St. Paul Street, Rochester, N. Y., U. S. A.

AVAILABLE: A High-Grade Executive with the following qualifications:

1. He has a thorough knowledge of marketing problems through jobbers, chains, groups and individual large or small retailers.
2. He has nation-wide personal contacts in the retail field and an understanding of the relative value of each outlet in a city, to a manufacturer, whether independent or connected with a group or chain.
3. He knows the importance of styling a manufacturer's line for retailer and public acceptance and can get the support of big retail organizations in styling a line.
4. He knows how to hire, manage and train men.
5. He understands the private brand problem in connection with national marketing, and the methods used to handle this ever-increasing problem.

Available immediately for permanent connection or on consulting basis.

Address: Managing Editor, Sales Management Magazine
420 Lexington Avenue, New York, N. Y.

**A Food Bill of
\$81,903,304.00**

**is consumed annually
by the**

116,616 Families

in Central Ohio

Covered by

**The
Columbus Dispatch**

No manufacturer of a food product can afford to overlook so lucrative a market . . . nor can he overlook, profitably, a newspaper which, in 1929, carried 78 per cent of the food accounts advertising in this market exclusively. . . .

The Columbus Dispatch

OHIO'S GREATEST HOME DAILY

Circulation 127,135

Net Paid

100 Principal Markets and Their Spendable Money Income

The statistical staff of SALES MANAGEMENT has prepared a summary of population and spendable money income figures of the 100 Principal Markets of the United States, based on data published in the Reference Number. A copy will be sent without charge to any reader who is interested. Address your request to the Reference Number Editor.

Benson Outlines Agency Stand on Radio at Cleveland Meeting

(Continued from page 304)

Newspapers themselves are coming to realize the folly of a rate differential, especially a wide one. It has been working havoc with them; losing them revenue on the low local rate which the national advertiser secures. He makes an aggressive effort to get it. He has to. If he does not, his competitor will, and that makes for unfair competition. If we agencies do not assist him, somebody else will and we lose the business. It is a vicious circle. You cannot have two prices for the same service in any line of business without having business gravitate towards the lower.

"The newspapers are not only losing revenue, they are also losing business. National advertisers who cannot get the local rate feel discriminated against and become dissatisfied with the press.

Should Avoid Dual Rates

"If the broadcasting stations are wise, they will take a leaf from the experience of newspapers and avoid the embarrassment and losses a rate differential inevitably brings. There is no more effective way I know to discourage agencies in pushing spot radio than by having dual rates. That means grief to them and to you. The local and national rate differential also gives rise to unfair competition, one advertiser or agent securing a lower basis and another failing to do so. That is inequity itself. There is no reason for a differential. The plea that a local user should have a lower rate because it cannot make full use of the broadcasting coverage is not valid. No business facility can be sold on that basis. National advertisers differ widely in their retail distribution.

"Some have a lean and others a dense one, and still they all have to pay the same rate whether in newspapers or radio. And the local department store, with country wide good will and delivery service, does not pay any more for broadcasting than a specialty shop with far less use of the circulation.

"Relative costs are a better reason. If it costs the station more money to obtain and service national broadcasts, there is some ground for a higher rate, but the costs should be fairly and fully allocated. There may be offsetting charges for local solicitation which parallel or approximate agency com-

missions and pay to the specialist. I earnestly hope that a 'one price to all' policy will prevail in the radio field. There are so many unreliable and ill-equipped radio brokers and specialists, and so many advertising agencies without experience in this field, that something ought to be done to build up a better contact between stations and ourselves.

"This we have in mind. We are planning to establish at our headquarters in New York a radio bureau conducted by the Four A's which will gather data regarding every worthwhile station in the country and make it available to agents.

Chains Disorganized

"There is another matter to which I would like to call your attention and that is the disorganization of national chain broadcasts by stations abruptly dropping out, after agreeing to take the program. This is unfair to the national advertiser and often involves him in serious embarrassment and loss. He makes all of his arrangements in advance, including his publicity and negotiations with dealers and distributors and any abrupt dislocation of the broadcast in an important center is unfortunate. Of course, we appreciate that local stations have been getting more and more compensation for their time sold locally than when sold through the broadcasting chain, but this is hardly a fair reason for interrupting a chain program after it has once been assumed.

"After all, the chains have done much to build up station prestige and they have also done much to build up national advertisers who will inevitably do more or less spot broadcasting.

The association passed resolutions endorsing the payment of the usual 15 per cent commission to advertising agencies on the charges for program talent supplied by broadcasting stations and endorsing a service charge by stations for the handling of electrical transcriptions.

Walter J. Damm, manager of WTMJ, of the Milwaukee Journal, was elected president Wednesday. Edwin M. Spence, of WPG, Atlantic City, was re-elected first vice-president, and O. D. Fisher, of KOMO, Seattle, was re-elected second vice-president. Paul Morency, of WTIC, Hartford, was elected treasurer.

Is Your Sales Quota Based on Facts?

(Continued from page 312)

widely in the various territories, due to many reasons, ranging from the desire of the salesmen to cooperate to unlooked-for strength on the part of competitors.

The total number of families in the state was first determined from general published information, each source being checked against others. Then the number of gas meters was deducted in each locality which had gas. Electricity was similarly handled (where possible). A mail questionnaire was answered by sufficient persons to warrant using the results in comparing counties and marketing centers. In this manner, it was determined that 56 per cent of the families used liquid fuel stoves. This figure checked closely with estimates made previously by other people; so this figure was used in later calculations. Among other things it was also learned that 64 per cent of the respondents intended to buy their next stove in their home towns. This data, with the other information available, permitted Iowa to be broken down into trading centers from which logical territories could be built. Potential sales for liquid fuel stoves were also calculated.

Determining Competition

Personal calls were made upon a large number of dealers and the sales records of the company were analyzed to determine the strength of competition in the various centers.

Salesmen's records were considered, while external factors such as general business conditions and the increase of gas mains were allowed for. In determining the market index, total effective income figures and passenger car registrations were found not to be of importance. An index based upon several sets of statistics, however, was eventually created and stood rigorous testing.

Using these index figures and the total potential sales estimate, the company calculated the potential market in percentages for each county in the United States. The next step was to take these figures and compute the total for the counties composing each salesman's territory. Past sales, the salesman's personal forecast of his future volume, and peculiarities of a local nature were then considered in reducing the sales potential of the territory to the actual quota. When periodic revisions of the quota are necessary, these are easily made.

Makers of
Machine Parts ♦ Food Products
Lawn Mowers ♦ Drug Products
♦ Candies ♦ Soap ♦ Shingles ♦

**use A. W. A. Warehouses
In Distribution . . .
and so can you!**

No matter what kind of product you manufacture, A. W. A. Merchandise Warehouses in 189 cities of the U. S. A., Canada, Cuba and Hawaii constitute a ready-made distribution system for your goods—a *flexible* system which can be developed as your business grows . . . sectionally, regionally, nationally.

In every trade territory you are trying to develop, our member warehouses can maintain spot stocks for you . . . just as your own branch house would do!

We receive your merchandise in carload or less-than-carload lots . . . store it for you until needed . . . and then distribute it wherever you wish—to jobbers, dealers or users. Your saving in freight will be large, and you will speed up delivery by days and weeks.

Send for Free Book
Our plan of distribution is fully described in a 32-page booklet: "Increasing Your Sales Through the Use of A. W. A. Merchandise Warehouses." Send for a copy today. The facts it presents may revolutionize your methods of distribution.

**Merchandise Warehouse Division
AMERICAN WAREHOUSEMEN'S ASS'N.
1781 Adams-Franklin Building
Chicago, Illinois**

Editorials

A SIGNIFICANT SNAP-BACK: In response to a world-wide agreement to control copper output within the limits of demand the price of the metal jumped last week from nine and a half cents to twelve cents a pound. Output being more than 4,200,000,000 pounds a year, this meant an increase in value of the mines' production exceeding \$100,000,000. The encouragement felt in business and financial circles generally was perhaps disproportionate to the dollar results; and we have still to learn the full effect upon consumer buying. . . . But the incident is more important for its implications than for its immediate consequences to a single industry. It is significant for two reasons: it is one of the first serious efforts since the beginning of the big slump to stabilize a great industry; the price snap-back is a reflection of a sensitive resiliency which in the present circumstances is probably common to most commodities. In other words, as an example, the copper rally, if sustained in any large degree, is pretty sure to prove influential in other fields; what it promises in the way of quick restoration of something like profitable operations holds out better expectations for the pace of recovery, once it sets in, than most observers have believed to be possible. It would be unwise of course to assume from a single case that the whole trend of affairs is likely to change suddenly and radically for the better. It would be equally unwise to forget that in times like these the turn of the tide is seen in single signs long before the new drift is felt.

NO UNDER-CONSUMPTION HERE: Forty-nine large chain-store companies sold \$3,212,513,-877 worth of goods in the first ten months of this year compared with \$3,209,264,230 worth in the same period of last year. In dollar sales they did one-tenth of 1 per cent more business in 1930 than in 1929. In volume of goods the gain was substantial, a fact revealed by the companies which furnish tonnage figures. Obviously, therefore, consumption, instead of having fallen off as far as the big chains are concerned, has expanded. Whether the independent dealers have fared as well relatively we do not know, but as the number of them has not decreased it is fair to assume that they too have been selling larger quantities of merchandise. . . . Judging from these facts and inferences it would appear that even in the hard times now upon us the public has been buying more of the sort of goods which the chains deal in, and that business losses are due mainly to the fall in prices and diminished demand for the so-called luxuries. The inevitable

conclusion is that better times must await better prices or an adjustment to a price level near the level on which most of our industrial progress has been made. The logic of events is more important than theories unrelated to fundamental facts.

AFTER FORTY YEARS: In a recent address to the Academy of Political Science in New York Thomas W. Lamont, the well-known banker, listed over-production as the first of the causes of our business troubles. He added: "There can be no question that our present somewhat antiquated anti-trust laws have been in part responsible for encouraging excessive construction of plant and equipment in the industrial field. The present law constitutes almost a mandate to every wide-awake manufacturer to duplicate the facilities of his rival, and the result is bound to be a great economic waste. I am not assuming to suggest the sort of remedial legislation that should be had in order to avoid this obvious wastage, brought about through unbridled competition. But we can at least remember that the present anti-trust laws date from 1890. Would it not be advisable for our national legislature at least once in a forty-year period to review the workings of a statute like the Sherman anti-trust act which bears so vitally upon the problems of labor and capital?" . . . There is no conflict between this sober statement and Calvin Coolidge's reminder that the Sherman act embodies common-law principles which are the fruit of centuries of experience with the evils of monopoly, and that its repeal or modification would be a dangerous proceeding. The objection to the Sherman law as it stands is not that it protects us against monopoly but that it prevents us from safeguarding ourselves against the evils of enforced competition. We scarcely needed the bitter lessons of 1930 to convince us that we cannot upset the balance between supply and demand without disastrous consequences. Yet although most intelligent people know that the conditions which the Sherman law was enacted to meet are totally different from the conditions that bred the causes of the existing relapse and that this radical change should make imperative a reexamination of the old law that promotes production regardless of consumption, few voices are raised in behalf of the wise action recommended by Mr. Lamont. What is needed now is a dispassionate study of the situation uninfluenced by prejudices which are no longer pertinent. The old fear was of trusts. The danger now confronting us is lack of team-play in dealing with disturbing elements.

The Laundry Industry Tackles Damaged Goods

(Continued from page 310)

learned that the manufacturer producing a good garment is doing all that he can to eliminate shrinkage. This seems to be contrary, however, to what others are doing—for certain cut-price merchandise is being sold as pre-shrunk when the material has been only partially pre-shrunk or has received no preliminary treatment whatsoever. The danger is that the public will lose confidence in all "pre-shrunk" labels, meanwhile demanding restitution from laundries or mills because of undue shrinkage.

Problems of this kind are being put up to the department of research constantly, and out of teamwork with manufacturers the laundry industry looks for a new era in textiles which will aid greatly in eliminating many claims for damages which now eat into the laundry owner's profits.

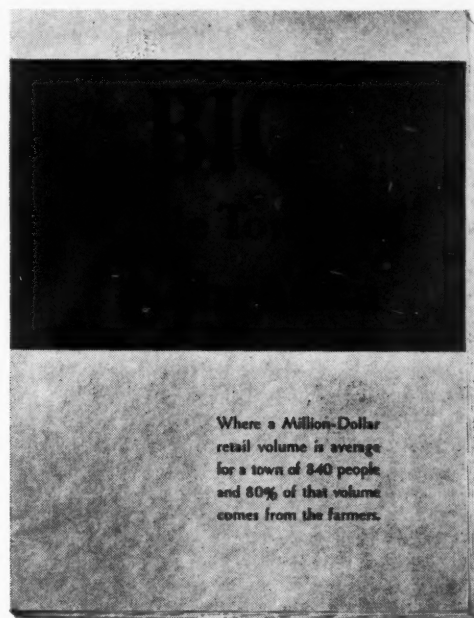
No Overnight Cure

The movement, of necessity, requires time and patience; we do not expect overnight results. But by going back to the source of many of these claims, by striving to remove unsatisfactory conditions in the laundries and unsatisfactory materials in the garments, the industry anticipates a diminishing ratio of claims to volume and a corresponding increase in customer good-will.

Incidentally, the new American Institute of Laundering has undertaken another project which will in time exert a favorable influence upon the situation. A vocational training school has been established for the training of laundry superintendents and foremen in the latest scientific washroom processes. Students will spend from eight to forty weeks mastering various phases of the laundry business, five separate courses of eight weeks each being offered in power plant engineering; production; textiles and washroom practice; accounting and office administration; and sales, service and advertising. The first classes have already been completed, and its graduates have gone forth to put into effect the facts they have learned.

The experience of the Laundryowners National Association shows that no industry is independent of all other industries. Unethical or injudicious practices in one field may affect the stability and progress of another apparently unrelated field. Intelligent co-operation, such as that of the laundry-owners, between industries will make for mutual prosperity.

This **FREE** Survey Tells How to Sell to Nebraskans



Where a Million-Dollar retail volume is average for a town of 840 people and 80% of that volume comes from the farmers.

MUCH has been said and written about the small town of today as a market for advertised merchandise. Is it gone, is it slipping, or is it going ahead?

THE present series of articles running on **SALES MANAGEMENT**, based on the survey made by Walter Mann & Staff, give the answer on a national scale. What about Nebraska?

HOW much of the merchandise sold in the state is sold through retail dealers? What kind of stores do these dealers have? Where are they located? In what kind of towns? Of the dollars taken in by merchants how many come from townspeople and how many from farmers?

ALL of these basic marketing questions, and many more besides, are answered in the recently-completed survey which is illustrated at the top of the page. Cliff Crooks, director of research, the Nebraska Farmer, was given carte blanche to make a state-wide survey based on personal interviews with retailers.

SINCE the first day of February this year sixty-seven towns have been visited and analyzed by Mr. Crooks, and the book, "The BIG Little Towns of Nebraska," gives his findings. They should interest every sales manager or advertising manager of products going through retail stores, and every agency executive and space buyer. In addition to the illustrated text and statistical data, the book includes a large-size Marketing Map of Nebraska.

MAY we suggest that you send for it today?

THE NEBRASKA FARMER

Lincoln, Nebraska

Please send me a copy of "The BIG Little Towns of Nebraska," as advertised in **SALES MANAGEMENT**.

Individual Title

Company City, State

Street

The Chinese Coolie

*lives on
a handful
of rice
per day*

A VERY meager consuming power when compared with the average American's daily consumption of food. It depends on what we are accustomed to, which is governed by our ability to buy.

In Cincinnati, Times-Star families represent the most prolific group of consumers. They are accustomed to higher standards of living, more buying funds, and exercise a greater freedom in expenditure.

Advertisers recognize this, as evidenced by the fact they have bought more space in the Times-Star for the last 22 consecutive years than any other Cincinnati paper, and Times-Star families are the largest consuming group for your product.

The Cincinnati Times-Star

"THE KEY TO THE CITY"

Eastern Representative

MARTIN L. MARSH

60 E. 42nd Street
New York City, N. Y.

Western Representative

KELLOGG M. PATTERSON

333 N. Michigan Ave.
Chicago, Illinois

Do Depressions Hit Only the Depressed?

(Continued from page 301)

a radical style change, and one which perhaps a majority of women objected to making, at that, in this year when we hear so much talk about how hard it is to sell goods.

We have long stressed style next to quality and we shall continue to stress both. Many of our dealers tell us that they consider style the strongest selling point of our goods. As long as we guarantee our product for a lifetime, we have to insist that quality comes first, but with that exception, we agree with those dealers and we shall continue to give them distinctive styles.

For fifty years or more all fountain pens were made with flat ends. Then about a year ago we introduced our "balance" pen with tapered ends and it became popular immediately. We still make the old-style pens with flat caps and ends, but I predict that by the first of the coming year 99 per cent of our sales will be of the new "balance" style. At the present time balanced pen and pencil sales represent over 90 per cent of our volume.

Must Sell "Style"

We have approximately 25,000 dealers in America and the fact that 99 per cent of their purchases are of a new style, on the market little more than a year, is ample evidence that their customers insist on buying style, wherever they are. It is also ample evidence that the dealer who does not sell style merchandise these days will not sell much of anything, whereas those who feature the newest and most attractive styles can sell a satisfactory volume even in such times as these.

Color is an important feature of style. Until just a few years ago practically all fountain pen barrels and caps were made of black or red hard rubber. That was when a fountain pen was just a writing instrument. It lacked style and color. With the new composition materials came color and combinations of colors and the old-fashioned black rubber barrel practically disappeared.

In recent years, we have stimulated sales materially with jade, black and pearl, and other striking colors. Now the people are becoming more conservative. The long skirt is again the vogue; women are letting their hair grow; jazz is on the wane, and too much color is objectionable. To meet this new development we recently introduced "Marine Green" a rich,

luminous, but "quiet" color, already proving our best seller.

We pioneered the desk set just a few years ago. It possessed the dual features of style and utility. It was something new and attractive and it was something convenient and useful. The first ones sold at \$10. Then we added more style, multiple sockets, ornaments, combinations with clocks, desk lights, figures, trophies, and other features. Now desk sets sell in good volume at prices up to \$50, with others priced as high as \$500.

The people want values. They want style. And they want utility. The wasteful period is past. Whatever people buy, they want something that is really useful.

The opportunity which this condition presents to almost any manufacturer is rather obvious.

Useful Gifts

For our part, we have tried to take full advantage of it. We suggest that one give something useful as well as beautiful.

We suggest that a desk set, with suitable figure in genuine bronze and with a sterling silver or gold plate for the engraving, be used as awards. Thus, if one wins the golf tournament, he may be awarded a desk set on which is mounted the bronze figure of a golfer in action; for the hero of the gridiron, there is a desk set on which is mounted the bronze figure of a football player in the act of kicking, and so on. On the name plate at the base of the figure is engraved the name, date, event or other details as desired. Such an award is beautiful, stylish, useful, and enduring.

Such goods, placed in the better jewelry and sporting goods stores, are becoming increasingly popular and have added materially to our volume.

One other important thing we have done this year; instead of curtailing our advertising, we increased it considerably. Extensive, intensive, well-planned advertising has been one of the most important contributing factors in the rapid progress of this company, which has, in about ten years, moved up from last to first place in the industry, and this is no time to rest on our oars. We have a big job to do and everybody from our president down to the janitor is on the job working "tooth and nail" to put it over.

Policies that Built World-Wide Sales for Helena Rubinstein

(Continued from page 299)

stores in San Francisco and New York wrote for her line of cosmetics she first refused to sell them.

As she explained, hers was a new form of business that depended on a professional relationship with her final customers. Most of her cosmetics required demonstration and were frequently used in giving treatments by specialists whom she trained. Practically all of her customers come to her salons for advice and treatment as well as for cosmetics.

All this and more was told to those first customers; but they persisted, replying that they were receiving many calls for Rubinstein cosmetics and knew they could build up a large business on the line. And finally Madame Rubinstein decided that if the stores would send intelligent representatives to her salons for special training, it might be possible to extend her professional service. The experiment was tried, and it was successful. Both stores sent representatives for a course of six months' training, and the experience was the basis for the development of an educational system undoubtedly the most thorough and effective ever attempted by this type of manufacturer.

Treats All Impartially

The selling policy was established at this time. Soon, many other stores began to request the line, and Madame Rubinstein explained that she was determined to treat them all impartially, after they had been selected as distributors, and to aid them in selling her goods as she has always sold them. She allows her dealers a liberal margin of profit, and there have been few demands for special discounts.

In several important cities Madame Rubinstein refused to sell any of the numerous stores that wanted her line because she did not consider them worthy. In one case, she allowed her line to remain unsold in one of the best markets for a period of three years—until she could place her goods with the right kind of store. She has never departed from the principle of selecting her outlets.

The largest part of the total American volume is sold by the highest class of department and women's specialty stores. In every city and many towns of the country there is at least one of these stores now handling all of the items of the line adapted to

the climate and other conditions. A smaller volume is sold through carefully selected middle-class women's stores on the same basis, and there is a further distribution of more or less staple specialties through the best drug stores.

These three classes of distribution are the best result of consumer demand. After the goods were introduced, some of the best middle-class stores were allowed to specialize on them, and an additional market was found that did not conflict with the established trade. Then a great many women wrote Madame Rubinstein suggesting that the staple items, such as lipsticks, rouges and certain creams, be placed with druggists for their convenience. Therefore the drug store volume, sold mainly by stores in fashionable suburban districts, is confined to those items of the line which do not particularly require the advice of specially trained sales-people.

Her Own Representatives

To the training of her own representatives and the sales-people of the stores, Madame Rubinstein has devoted a great deal of thought and energy. "Of those who apply for positions," she said, "about one in fifty qualifies. We now have thirty women who contact our stores in this country. Most of them are college trained, and without exception they are mature women of the highest character. They are very well paid according to their success in building up their territories, and they earn their salaries.

"When we find an applicant with the essential intelligence, love of the work, character and adaptability, we give her a rigid training of at least six months. Before she can represent us she must have experience in the application of our products, and she must be intimately familiar with every detail of every treatment we give in our salons. More important still, she must be enthusiastically eager to tell our customers what we have taught her, and to educate their sales-people.

"Our representatives seldom solicit an order. They are too busy to do anything that a customer can do for himself. They spend their time in seeing that our cooperative effort is effective. Beside training sales-people and correcting their methods, they see that our goods are properly displayed,

SELL THEM WHERE THEY LIVE NOT WHERE THEY BUY!

Meaning that PATH-FINDER readers are small town people, 82.4% of which purchase in towns other than their own. In a nation-wide questionnaire survey other interesting buying habits were revealed ● 33.8% shop in towns of over 50,000 population. 30.3% in towns of 10,000 to 50,000. 26.9% in towns of 5,000 to 10,000 ● 71.4% own one or more automobiles which with hard roads makes distant shopping a habit. 10.4% of these readers travel 75 miles to shop. 5.9% 40 to 75 miles. 14.4% 20 to 40 miles. 28.8% 10 to 20 miles ● Over 33,000,000 people constitute this worthwhile small town market which can best be reached through the magazines they actually read and prefer.

For detailed information
address

The Pathfinder Publishing Co.

Washington, D. C.

420 Lexington Ave., - - New York, N. Y.
307 No. Michigan Ave., - - Chicago, Ill.

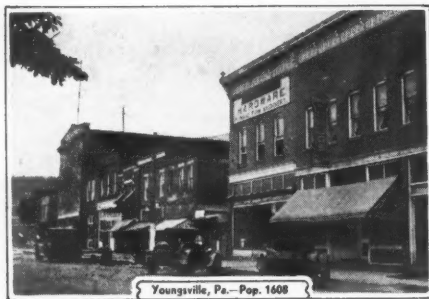


Send for the "MARKETING SURVEY OF TWENTY-NINE SMALL TOWNS"

It includes results of personal
interviews with



100 RETAIL GROCERS and



30 RETAIL DRUGGISTS

not to mention the many garage owners, bankers and other business men, nor the complete cross-section of nearly 800 typical small town families scattered through five different states.

Free to sales and advertising executives. Write for your copy.



Read Every Week by Over 415,000 Families
in 14,000 Small Towns

Member A. B. C. Williamsport, Pa.

that all suitable items are stocked, that our customers are getting a profitable turnover, that our advertising material is properly distributed, and that all of the other details of our customer relationship are harmoniously conducted.

"In every store which carries all items suitable for the climate of its locality, our stock is in charge of a young woman who has been trained in one of our salons or schools. The course now requires six weeks of intensive study, and schools are conducted every summer in New York and Chicago. From fifty to one hundred women attend the courses in each city, and we also conduct informal educational courses in our salons throughout the year. Our customers pay both the expenses and the salaries of their representatives while taking the schooling, and we do not know of an instance where the investment has not paid handsomely.

Better Consumer Contact

"In shopping for my personal requirements, I am frequently reminded of the advantages of educating the people who finally sell the goods of the manufacturer to the consumer. So many times I find the sales-people poorly equipped with knowledge of the merchandise. American manufacturers spend vast sums of money to advertise all kinds of fashion apparel and other goods that appeal to women; but from my experience I feel sure they lose many sales and much of the influence of advertising by not assuring a better final contact with the consumer.

"In our advertising we emphasize the delicate and ethical relationship between our stores and the users of our cosmetics. Our appropriations have grown with our volume. Besides, we are publishing many kinds of special booklets which comprise the largest library of promotional literature ever published in our field. These booklets are distributed by our stores; they are authoritative, interestingly written and artistically designed, and our customers willingly distribute them because they create a demand for our line.

"Numerous times, large distributors have tried to convince me that we could do three or four times our present volume by allowing them to sell our goods. I do not doubt it. But as it is, we are making a satisfactory profit and building our business on the rock of fairness to and cooperation with a large number of stores that are doing their utmost to handle our goods with a maximum of benefit to everyone concerned. What would it

eventually profit us if we sold our goods to every store that would buy?

"Soon, in that event, we would lose our prestige with the best class of trade. The stores, instead of featuring our cosmetics, would sell them only when they are demanded. In a year or two we would have so many costly distribution problems that I am sure our profits, regardless of the large size of our volume, would dwindle.

"We cannot keep faith with our final customers, the women who use our cosmetics, except by selecting worthy retail organizations to serve them. That is good merchandising, and it results in a large volume of fine, clean, profitable, healthy business. If we expanded our volume rapidly by selling every store that would buy, it would be very poor merchandising, which would result in bad, unhealthy business. No; we cannot accept a large volume at the expense of good merchandising. In building a business that will endure, it is just as important to merchandise properly as it is to manufacture properly, and large volume, when it is not supported by good merchandising, is a grave danger to any business.

Customers Are Friends

"Now, every season hundreds of people from the stores of our customers come to see us at our New York offices. They are officials of the stores, managers, merchandising men and women, stylists, members of the advertising departments, buyers and sales-people, and they all want to know what they can do to help us. They are friends. The fine spirit they express is invaluable. And do you think they would feel the way they do toward us if we merchandised our goods in any other way?

"Our business in America is but a fraction of our total volume. Besides our salons in six of the largest cities of this country, we have them established in Paris, London, Madrid, Naples and most of the principal cities of the rest of the world. Our factories are in Long Island City, Toronto, Paris and London. And everywhere we find that human nature is much the same, that good merchants respond in the same way to methods founded on sound merchandising principles.

"Finally, the problem that is so serious with many manufacturers, the problem of getting orders, is a simple automatic procedure with us. The cost of selling our goods, of getting the orders, is practically nothing. We do not go after orders; they come to us, and this is the best test of merchandising methods.

"It does not matter what the business is, I am convinced that if all of the factors of merchandising are cultivated intelligently and according to economic principle, procuring orders is the least of all difficulties. Merchandise your products equitably, intelligently, on a cooperative basis, and it will be impossible to keep the orders away."

Tracing Your Wholesale Trade

(Continued from page 303)

Brand	No. Times Mentioned	Rating
Procter & Gamble*	16	39
Colgate's Octagon*	10	23
Fels Naptha	9	16
Crystal White	6	16
Kirk's Flake	2	5
Kirkman	2	4

From the foregoing, it is apparent that nationally advertised brands of laundry soap are decided leaders.

Soap Flakes

Once again in soap flakes nationally advertised products appear to be the dominant favorites with a total of 106 points out of 126 and with 45 times mention against 12 for private brands.

Brand	No. Times Mentioned	Rating
Procter & Gamble Products*	16	40
Lux	14	37
Crystal White	3	7
Colgate*	3	6

Although there were many nationally advertised brands listed there were no other real leaders. Kirkman (5), Super Suds (5), Kirk (5), Oxydal (3). There were no outstanding private brands.

Canned Vegetables

Local or sectional brands are clearly the leaders with 27 times mention and 63 points versus 6 times in which nationally advertised brands were mentioned for 13 points.

Brand	No. Times Mentioned	Rating
Del Monte	2	6
Van Camp	2	6
Libby	1	3
Pin Money	1	3

Apparently there should have been separate classifications for canned beans, canned soups, etc., in which case, Van Camp and Campbell would, we believe, have received a better mention.

Among those brands of canned vegetables listed, only four of the twenty-one brands mentioned were nationally advertised.

Canned Fruits

In canned fruits private brands hold the lead.

Brand	No. Times Mentioned	Rating
Private or Sectional	23	61
Nationally Advertised	15	36

Among the nationally advertised brands, we find:

MEMBER 100,000 GROUP OF AMERICAN CITIES

ANOTHER RECORD YEAR

.... in spite of the so-called depression in most parts of the country

the 8th Annual Food, Household and Radio Show exceeded all previous years in number of exhibits and attendance. This is just further proof that the Peoria Market is PROSPEROUS and that the Peoria Journal-Transcript with its dominate coverage of this market can do a BIG JOB in a BIG WAY for any advertiser.

THE PEORIA JOURNAL-TRANSCRIPT

PEORIA, ILL.

Chas. H. Eddy Co., Nat'l Repr. :: Chicago, New York, Boston

WE DO NOT WANT AN AVERAGE MAN

A food manufacturing corporation selling \$40,000,000 annually, a national advertiser and leader in its field, with representatives in all large cities, has a place for a sales manager.

Check these qualifications carefully:

Age 28 to 35, college graduate, Christian.

Has been successful with some large corporation of standing and has learned to work organization-wise.

Has had experience in sales management and has come to the conclusion that selling is his forte.

Now employed and earning not less than \$4,000 a year.

This is an opportunity only for a man who has already accomplished something, who has already developed his abilities. He will be interested in a change only because of the special opportunity we can outline to him.

We do not expect him to write us a long first letter, but his first letter must so summarize his claims, accomplishments, viewpoint on selling and sales management to warrant us in arranging an interview at our expense.

Address Box 267, SALES MANAGEMENT
420 Lexington Ave., New York, N. Y.

Brand	No. Times Mentioned	Rating
Del Monte	7	19
Libby	7	15
Dole	1	2

With none of the foregoing nationally advertised brands threatening the lead of private brands in general, the latter's supremacy in canned fruits seems well established.

Salt

With almost half of the total score to its credit Morton's leadership in the salt group is assured. This leadership is also responsible for nationally advertised brands being ahead of private brands with 23 times mention for a score of 59 versus 20 times mention for a score of 45.

Brand	No. Times Mentioned	Rating
Morton	16	43
Worcester	4	10
Diamond Crystal	3	6

As will be seen, Worcester was a bad second and Diamond Crystal a poor third.

Soft Drinks

Nationally advertised brands of soft drinks are well in the lead of private brands.

Brand	No. Times Mentioned	Rating
Nationally Advertised ...	22	52
Private or Sectional	12	26

Canada Dry leads all soft drinks, with Clicquot Club a good second, among the eighteen brands reported:

Brand	No. Times Mentioned	Rating
Canada Dry	9	24
Clicquot Club	9	20
Anheuser Busch	2	6

The two other national advertisers, Welch's Grape Juice (1), and Mission Orange (1), did not stand as well as private or sectional brands.

From this it will be seen that in all but two lines nationally advertised brands were very definitely in the lead of private or sectional brands. The actual number of mentions was 438 for nationally advertised brands and 290 for private and sectional. The scores were 1064½ for nationally advertised brands versus 568½ for private and sectional. This should clearly show that the distribution of nationally advertised foodstuffs is much more extensive in small towns than is normally thought.

N. B. It should be clearly understood that this report portrays only the relative standing of those products distributed through wholesalers.

(The next article in this series will appear in SALES MANAGEMENT for December 6.)

Lineage Correction

Complete lineage figures, rather than advertising lineage alone, were published for Oklahoma City in the September compilation of monthly advertising lineage in the October 25 issue of SALES MANAGEMENT. Below are the corrected figures:

	1930	1929	Change
Oklahoman	882,347	1,059,030	—176,683
*Times	711,304	792,998	— 81,694
*News	533,112	605,375	— 72,263
Totals	2,126,763	2,457,403	—330,640

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display
Cash Basis Only. Remittance Must Accompany Order

POSITION WANTED

SALES STATISTICIAN-ADVERTISING MAN. Three years' statistical, six years' advertising experience; analyzing markets, locating insufficiently developed territories, planning development of weak territories, preparing advertising—copy, layout, typography, printing; cooperation with sales department in following through on plans and analyses. University man, member American Statistical Association, 31, married. Address Box 268, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

ATTENTION MANUFACTURERS. CANADIAN, aged 30, married, managerial and sales executive ability, open for position in Canada as Branch or Sales Manager. Capable of building and developing sales and office organization. Good connections, good references, and can produce. Now resident of Central Canada. Write Fraser, 94 Garfield Ave. S., Hamilton, Canada.

EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between

\$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service of recognized standing and reputation through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements, your identity covered and present position protected. Established twenty years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FOR our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nationwide, running to \$100,000 monthly. 35 years' salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

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Reprints at Cost

We will reprint at cost plus ten per cent for postage and packing any article in this or other issues of SALES MANAGEMENT.

In every issue there are articles which profitably could be sent to business associates, customers, or friends of some of our readers. We shall be pleased to quote prices in any quantity desired.

WRITE more EASILY

WITH **LISTO**
PENCILS and LEADS
A Million Users Know Their Superiority
Listo Pencil Corp., Dept. B, Alameda, Cal.

Extra Copies

If you want extra copies of this issue please order promptly, as our supply is frequently exhausted a week after date of issue.

"GIBBONS knows CANADA"